



STATE OF WASHINGTON
HIGHER EDUCATION COORDINATING BOARD

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DRAFT PRELIMINARY BOARD MEETING AGENDA
Murray Board Room, Wheelock Student Center Bldg.
University of Puget Sound
1500 N. Warner, Tacoma, Washington 98416
December 6, 2000

*Approximate
Times*

Tab

8:00 a.m. Board Breakfast and Meeting Overview (Wheelock 201)
(No official business will be conducted at this time.)

8:45 a.m. Welcome and Introductions

- Bob Craves, HECB Chair
- Dr. Susan Resneck Pierce, UPS President

CONSENT AGENDA ITEMS

Adoption of October HECB Meeting Minutes 1

Future Teachers – Final Rules adoption 2
(Resolution 00-53)

Displaced Homemaker Program – Final Rules Adoption 3
(Resolution 00-54)

Educational Opportunity Grant 4
(Resolution 00-55)

New Degree Programs for Approval

• **WSU, BS Nursing Distance Learning Program** 5
(Resolution 00-56)

• **UW Bothell, BS Nursing on the Olympic Peninsula** 6
(Resolution 00-57)

• **UW Bothell, BS Computing and Software Systems
Distance Learning Program** 7
(Resolution 00-58)

• **UW, BS Health Information Administration** 8
(Resolution 00-59)

	<ul style="list-style-type: none"> • UW, MSW on the Olympic Peninsula 9 <i>(Resolution 00-60)</i>
9:00 a.m.	<u>PLANNING & POLICY COMMITTEE REPORT</u>
	<ul style="list-style-type: none"> • WSU Academic Calendar Year Study 10 <i>(Resolution 00-61)</i> • Distance Learning Study 11 HECB staff briefing • Review of Admissions Criteria 12 HECB staff briefing Panel of institutional representatives
	<u>BREAK</u>
	<ul style="list-style-type: none"> • Master Plan Initiatives <li style="padding-left: 40px;">Master Plan Implementation Report 13 HECB staff briefing <li style="padding-left: 40px;">Program Approval Guidelines 14 HECB staff briefing Public Comment
12:00 noon	<u>LUNCH</u> (Rotunda) <i>(No official business will be conducted at this time.)</i>
1:00 p.m.	<u>CAMPUS TOUR</u>
2:00 p.m.	<u>FISCAL COMMITTEE REPORT</u>
	<ul style="list-style-type: none"> • Master Plan Initiative <li style="padding-left: 40px;">Enrollment and Capital Re-examination – Final Report 15 HECB staff briefing <i>(Resolution 00-63)</i> • Update on Fall 2000 Enrollments 16 HECB staff briefing • Proposed Fiscal Year 2001 Supplemental Operating 17 and Capital Budget Recommendations HECB staff briefing <i>(Resolution 00-62)</i>

OPERATIONS COMMITTEE REPORT

- **Adoption of HECB 2001 Meeting Schedule** **18**
(Resolution 00-64)
- **HECB 2001 Legislative Agenda** **19**
HECB Staff Briefing
(Resolution 00-65)

DIRECTOR'S REPORT

PUBLIC COMMENT

4:00 p.m. ADJOURNMENT

If you are a person with disability and require an accommodation for attendance, or need this agenda in an alternative format, please call the HECB at (360) 753-7800 as soon as possible to allow sufficient time to make arrangements. We also can be reached through our Telecommunication Device for the Deaf at (360) 753-7809.

**MINUTES OF MEETING
October 26, 2000**

December 2000

HECB Members Present

Mr. Bob Craves, Chair
Dr. Gay Selby, Vice Chair
Ms. Kristi Blake, Secretary
Mr. James Faulstich
Mr. Larry Hanson
Ms. Ann Ramsay-Jenkins
Mr. Herb Simon
Dr. Chang Mook Sohn
Ms. Pat Stanford

HECB Staff

Mr. Marc Gaspard, Executive Director
Ms. Ruta Fanning, Deputy Director
Ms. Becki Collins, Dir., Education Services
Mr. Bruce Botka, Dir., Governmental Relations
Mr. John Fricke, Associate Director
Mr. Jim Reed, Associate Director
Ms. Elaine Jones, Associate Director

Welcome and Introductions

HECB chairman Bob Craves opened the meeting at 9 a.m., and started the round of Board introductions.

Minutes of Sept. 19, 2000 Meeting Approved

ACTION: **Larry Hanson** moved for approval of the **minutes of the HECB September 19 meeting**. **Jim Faulstich** seconded the motion. The September minutes were approved as recorded.

Three New Degree Programs Approved

ACTION: **Jim Faulstich** moved for consideration of **Resolutions 00-47, 48, and 49**, approving three new degree programs. **Pat Stanford** seconded the motion, which was unanimously approved.

Executive Director Marc Gaspard summarized the day's agenda, calling attention to sub-titles that highlight various committee reports, and at least four opportunities for public comment.

Work Session -- 2001-03 Operating and Capital Budget Recommendations

The work session consisted of a summary report from the Fiscal Committee, staff presentations on operating and capital budget recommendations, institutional and public comment, and board discussion.

Fiscal Committee Report

Fiscal Committee chair Larry Hanson provided an overview of the committee process and budget recommendations. The budget proposals are directly linked to the Master Plan initiatives and the HECB's statutory responsibility of providing the Governor and the Legislature with a statewide perspective on budget priorities.

Mr. Hanson reported that the Fiscal Committee developed its recommendations following a re-examination of the enrollment forecasts and capital planning assumptions in the Master Plan. The re-examination did not result in any recommendation to revise the Board's plan and concluded that the capital planning standards represented a reasonable method for projecting the long-term space needs of the universities and colleges.

In presenting the integrated priority list of higher education capital needs, Mr. Hanson noted that some projects now in the construction phase, which were authorized in previous biennia, are ranked below the minimum recommended funding level. Mr. Hanson suggested adding language to the report to encourage the Governor and the Legislature to fully consider these projects. Finally, Mr. Hanson expressed the Board's appreciation for the institutions' help in conducting the reviews and developing the prioritized listing.

Capital Budget Recommendations

Jim Reed, HECB associate director, reviewed the methodology used to create the evaluation and prioritized ranking for capital projects and summarized the capital funding recommendations. He reiterated that the HECB's proposal on capital needs provides an additional perspective to assist the Legislature and the Governor in capital funding decisions, and is not a substitute to the institutions' own budget priorities.

The integrated priority list contains eight categories, each with an assigned numeric score, arranged from highest to lowest priority. A minimum funding recommendation of \$933 million is being requested to fund all projects with scores of 84 or above (all projects in categories 1-5). This recommendation represents about 53 percent of the total new bond authorization estimated for the 2001-03 biennium.

Operating Budget Recommendations

Associate Director John Fricke summarized the operating budget recommendations, which has three distinct but interrelated parts: (1) strategic new investments, (2) proposed policy for tuition increases, and (3) salary increases for higher education faculty and staff. The recommendations were developed using the Master Plan as a guide and priorities for investment are linked to specific Master Plan goals. The Fiscal Committee recommends that the state make the following strategic investments.

1. Strategic New Investments

- ✓ \$53.8 million increase in state financial aid
- ✓ \$58.4 million for 7,091 additional FTE student enrollments
- ✓ \$43.5 million for outreach, diversity and assisting students
- ✓ \$0.5 million for a competency-based admissions project

- ✓ \$22.9 million for greater use of e-learning technologies
- ✓ \$0.2 million to develop competency-based Associate and Baccalaureate degrees
- ✓ \$71.3 million for flexible investments in facilities, people, and programs.

2. Tuition Policy

The Committee recommends limiting tuition increases to the rate of change in state per capita personal income (PCPI). Based on current estimates of PCPI, annual tuition could increase up to 4.7 percent in FY 2002 and 3.8 percent in FY 2003. Colleges and universities would have the flexibility to set lower tuition in response to local conditions and needs and could use tuition proceeds to address its unique needs and priorities.

3. Salary Increases

The Committee endorses salary increases of 10 percent for faculty and professional/exempt staff (6% and 4% at the four-year institutions and 5% and 5% for the community and technical colleges), with recruitment and retention funding for both, and institutional flexibility to re-direct funds into salary and benefit increases.

Jim Faulstich commented that an across-the-board salary increase would not help in adjusting the disparity that currently exists among institutions. He would like to see more funds targeted at recognizing institutions that work harder and are more efficient in the use of facilities. Marc Gaspard reminded him that institutions have the flexibility to adjust funds within the three faculty levels. The recruitment and retention pool also helps in pay equalization.

Comment from institutional representatives:

- Scott Morgan, State Board for Community & Technical Colleges
Mr. Morgan suggested that the four-year baccalaureates don't go through the same rigorous priority process as the community and technical colleges do in prioritizing their capital needs. Therefore, establishing a prioritized system-wide higher education capital budget recommendation based on the "culled" two-year list and the "unculled" requests from the six public baccalaureates has resulted in a lower priority listing for the community and technical colleges. And while the HECB budget provides more space for the four-years, it does not do anything to address the severe shortage of space at the community colleges.
- Charlie Earl, President, Everett Community College
Mr. Earl expressed concern with the overall priority ranking and, specifically, the low ranking of the workforce training and responsiveness project. When queried by Gay Selby about the two-year system's priority list, he stated that the colleges decided it was important to bundle into one list all the two-year requests in order to accommodate and prioritize the different needs of the 34 colleges across the state.
- Jerilyn McIntyre, President, Central Washington University
President McIntyre discussed Central's enrollment situation, which is down from last fall. Although she believes this is a temporary situation, she has asked her administrative team to

determine how to minimize the enrollment drop. For long-term planning, she is looking to develop a more sharply focused mission along Central's centers of excellence.

- Violet Boyer, President, Washington Association of Independent Colleges and Universities
Ms. Boyer expressed appreciation for the priority given to student financial aid and the focus on students. She said the independent colleges and universities would like to partner in two areas: 1). increasing high tech enrollment and 2). improving student transfers.
- Andrew Bodman, Provost, Western Washington University
Dr. Bodman stated that WWU has the highest space utilization among the six four-year institutions, yet receives less funding per FTE than any other institution. They are proposing the notion of "premium funding," or the ability to redirect enrollment funding to high-demand areas.
- Barbara Smith, Provost, The Evergreen State College
Dr. Smith expressed Evergreen's appreciation and support for the budget recommendations, and the collaborative process employed in its development. This budget represents a big step forward in the working relationship between higher education and K-12.
- Harlan Patterson, Vice Provost for Planning & Budgeting, University of Washington
Mr. Patterson expressed appreciation for the level of collaboration and communication in the development of this budget. However, the UW does not agree with the peer salary data and average salaries presented. They don't believe that there has been sufficient discussion by staff with the UW on the complex subject of faculty salaries and they were concerned about the presentation of the salary data. On tuition, the UW is working with the other institutions to formulate a long-term policy on tuition that may require statutory change. And there are ongoing discussions with HECB staff and the institutions for a long-term capital solution.

On the issue of faculty salaries, Kristi Blake suggested that some of the concerns about the data presentation could be addressed by adding some information on the 50th percentile (page 26 of report) and a stronger statement as to why the 75th percentile is our target goal.

ACTION: **Larry Hanson** moved for consideration of **Resolution 00-51**, approving the 2001-03 Operating and Capital Budget Recommendations. **Herb Simon** seconded the motion, which was unanimously approved with two provisos added to the text of the report: (1) clarifying the targeted 75th percentile of peer salaries; and (2) additional language encouraging support of projects authorized in previous biennia, which are now at the construction phase.

Planning and Policy Committee Report

Committee Chair Gay Selby summarized the findings and recommendations contained in the following two reports and reviewed by the committee.

- **Educational Opportunity Grant Program (EOG)**

The EOG program appears to be responsive to its statutory goal of increasing the participation in and completion of upper-division programs by placebound students. EOG recipients are much more likely to enroll than other students with similar characteristics who do not receive this grant, and once enrolled, EOG recipients tend to complete as many (or more) credits than students who receive other forms of aid.

HECB Educational Services Director Becki Collins discussed the details of the report and the committee's recommendations, which include the following:

- ✓ Extending eligibility to placebound students in all counties.
- ✓ Permitting recipients to use the EOG at branch campuses.
- ✓ Authorize the HECB to set grant amounts.
- ✓ Change the EOG's status from a "demonstration project" to an ongoing program.

Kristi Blake asked why the 2001-03 budget proposal does not include increased funding for the EOG, which would address the Board's Master Plan goal of increasing upper division enrollments. Becki Collins responded that the proposed legislative changes have to happen first. Gay Selby remarked that the timing between the study, findings and report and the development of the budget recommendations had not connected, but she hoped that funding would catch up. Bob Craves inquired about the possibility of getting this item to the Legislature's attention to secure the necessary funding. Mr. Gaspard stated that the Board could have an addendum that would address this concern. Dr. Selby proposed looking into the matter at the next Planning and Policy committee meeting.

Terry Teale, Executive Director for the Council of Presidents (COP), expressed appreciation for the Board's work and recommendations, and Violet Boyer (WAICU) noted the same lack of appropriate funding to support the proposed expansions.

Dr. Selby concluded the discussion with a remark that the EOG report most closely represents the kind of work that the Board does, and complimented the committee members and staff for the great work.

- **Performance Accountability**

Gay Selby reported that the HECB is continuing its work with the institutions on accountability measures. She provided a brief commentary on some of the rationale behind the committee's recommendations and asked HECB Deputy Director Ruta Fanning and HECB Director for Governmental Relations Bruce Botka to discuss the details of the report.

Some of the more significant recommendations are as follows:

- Not to attach financial penalties to performance
- Support continued use of institution-specific measures
- Support the institutions' attempts to assess student learning outcomes in writing, quantitative reasoning, and information and technology literacy
- Provide funds for targeted institutional projects through the Fund for Innovation.

Ann Ramsay-Jenkins expressed concern about continuing this effort “when we don’t have all the data we need.” Bruce Botka affirmed that while there is relatively little movement from year to year on statewide measures, data collected shows that goals established at the institutional level have the most impact and provide greater benefits to students. He believes this is a step in the right direction.

Terry Teale expressed the COP’s support for the accountability effort and said it was “consistent with the direction we want to go.”

ACTION: **Gay Selby** moved for consideration of **Resolution 00-50**, approving the accountability recommendations. **Jim Faulstich** seconded the motion, which was unanimously approved.

College Awareness Project (CAP)

Terry Teale provided an overview of the College Awareness Project, which is a collaborative effort among the COP, the SBCTC, the K-12 system and the institutions. Its purpose is to change the educational climate for underserved students of color and to increase their chances for successful preparation for college. She said the CAP is consistent with the HECB’s emphasis on access, supports K-12 education reform effort, and demonstrates higher education’s commitment to outreach and engagement.

Barbara Smith, chair of the CAP, described the process, governance, and the philosophy behind this effort. The CAP has three major components: (1) professional development focusing on diversity, (2) direct outreach to targeted populations, and (3) project administration and coordination of efforts. A steering committee would oversee the management and implementation of the project. An advisory committee would provide advice and consultation on project implementation, and develop partnerships as appropriate. TESC’s Center for Educational Development would serve as the fiscal agent.

Ms. Teale asked the HECB to lend its support and become a partner in this effort. The group plans to convene implementation teams, develop legislative strategy, and secure funding. The HECB is seen as a valuable partner and a critical resource in this effort. The Board members provided comments and suggestions and expressed their support for the project. Students from the University of Washington applauded the project but suggested that more effort should be focused on K-12 reform before outreach and recruitment.

ACTION: **Jim Faulstich** made the motion for the HECB to become a partner in the College Awareness Project. **Larry Hanson** seconded the motion, which was voted on and unanimously approved.

Displaced Homemaker Program (rules change)

Elaine Jones, HECB Associate Director, provided an overview of the program. Since its inception, the HECB has been required to issue a Request for Proposals each biennium to award contracts to providers. Historically, the majority of contractors have been funded for more than 10 years. She said the process is costly, time-consuming, and inefficient. The proposed rule changes would allow contractors to renew their biennial contracts for one subsequent biennium, if they are in full contract compliance and meet specified performance indicators.

A public hearing on the proposal has been held and the two written comments received have been supportive of the proposed rule change. The final rules will be presented to the Board for approval in December.

Legislative Session Overview

Bruce Botka reviewed the legislative process and the political climate leading to the session. Legislators will focus on developing the state's operating and capital budgets for the 2001-03 biennium, which begins July 1.

Some of the major higher education issues include faculty salaries, tuition, accountability measures, legislation on the Promise Scholarship, institutional eligibility for the State Need Grant, and a number of new scholarship programs.

Dr. Selby commented that the HECB needs to address the issue of teacher quality and development and should play a critical role in encouraging education for teachers. Bob Craves suggested inviting education deans to one of the Board's meetings to learn more about this issue.

High-Demand Enrollment Re-allocation

Bruce Botka provided an update on the high-demand enrollment grants. One of the colleges that had been awarded additional FTEs early in the year said that it would be forced to decline one of the grants it received. Staff, therefore, is recommending re-allocation of those remaining enrollments and funding to Everett Community College and South Seattle Community College for their web design and technology programs. At both colleges, student demand for the program has far outstripped capacity, and employer interest has grown.

<p>ACTION: Jim Faulstich made the motion to consider Resolution 00-52 approving high demand FTE re-allocation to Everett Community College and South Seattle Community College. Herb Simon seconded the motion, which was unanimously approved.</p>
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Director's Report.

Marc Gaspard provided updates on the Promise Scholarship and the GET program. He reported that Costco has worked with their employees to set-up payroll deductions for GET units.

The next board meeting will be held on Dec. 6 at the University of Puget Sound, Tacoma.

The Board adjourned the meeting at 2:45 p.m.

RESOLUTION NO. 00-47

WHEREAS, Washington State University Vancouver has requested approval to establish a Bachelor of Arts in Hotel and Restaurant Administration; and

WHEREAS, The program is highly appealing among students and employers; and

WHEREAS, The program of study and resources are sufficient to support a quality program; and

WHEREAS, The assessment and diversity plans are suitable for a program of this nature; and

WHEREAS, The costs are reasonable for offering the program;

THEREFORE, BE IT RESOLVED, That the Higher Education Coordinating Board approves the Washington State University Vancouver proposal to establish a Bachelor of Arts in Hotel and Restaurant Administration, effective October 26, 2000.

Adopted:

October 26, 2000

Attest:

Bob Craves, Chair

Kristi Blake, Secretary

RESOLUTION NO. 00-48

WHEREAS, Washington State University proposes to establish a Bachelor of Arts in Hotel and Restaurant Administration joint degree program with Montana State University; and

WHEREAS, The program will contribute to the hospitality and tourism industry in the Northwest region; and

WHEREAS, The program reflects institutional collaboration and the wise use of resources; and

WHEREAS, The program will be offered on a self-sustaining basis; and

WHEREAS, The program will make exemplary use of distance learning technologies to serve widely dispersed populations;

THEREFORE, BE IT RESOLVED, That the Higher Education Coordinating Board approves the Washington State University proposal to establish a Bachelor of Arts in Hotel and Restaurant Administration joint degree program with Montana State University, effective October 26, 2000.

Adopted:

October 26, 2000

Attest:

Bob Craves, Chair

Kristi Blake, Secretary

RESOLUTION NO. 00-49

WHEREAS, Eastern Washington University has requested approval to offer a Master of Science in Psychology: School Counseling and Mental Health Counseling in Spokane; and

WHEREAS, The program will prepare individuals with counseling knowledge and skills sought by schools, rehabilitation facilities, and community agencies; and

WHEREAS, The program of study is sound and reflects the standards for counselor education established by the Council for Accreditation of Counselor Education and Related Programs; and

WHEREAS, The assessment and diversity plans are appropriate for a program of this nature; and

WHEREAS, The program costs are reasonable;

THEREFORE, BE IT RESOLVED, That the Higher Education Coordinating Board approves the Eastern Washington University request to offer a Master of Science in Psychology: School Counseling and Mental Health Counseling in Spokane, effective October 26, 2000.

Adopted:

October 26, 2000

Attest:

Bob Craves, Chair

Kristi Blake, Secretary

RESOLUTION NO. 00-50

WHEREAS, The Higher Education Coordinating Board was charged by the Legislature to report by November 15, 2000, on progress toward statewide accountability performance goals by the state's public baccalaureate institutions, and to recommend accountability revisions for the 2001-03; and

WHEREAS, The HECB has worked extensively with representatives of the public baccalaureate college and universities to review progress to date and to develop recommendations for the future; and

WHEREAS, The HECB's Policy and Planning Committee has made a series of recommendations designed to continue and to refine the performance accountability system that has been in place during the 1999-2001 biennium; and

WHEREAS, The Board has also reviewed the institutions' reports on three projects to assess student learning outcomes in writing, quantitative reasoning, and information and technology literacy;

THEREFORE, BE IT RESOLVED, that the Higher Education Coordinating Board approves the attached Performance Accountability Report and forwards the recommendations to the fiscal and higher education committees of the Legislature, as directed in the state operating budget, for their consideration.

Adopted:

October 26, 2000

Attest:

Bob Craves, Chair

Kristi Blake, Secretary

RESOLUTION NO. 00-51

WHEREAS, The Washington Higher Education Coordinating Board (HECB) is required by state law (28B.80 RCW) to review, evaluate, and make recommendations on the operating and capital budget requests of the state's public institutions of higher education; and

WHEREAS, Pursuant to 28B.80 RCW, the Board's budget recommendations are to be based on the following guidelines/criteria:

1. The role and mission statements of each of the four-year institutions and the community and technical colleges;
2. The state's higher education goals, objectives, and priorities; and
3. Guidelines that outline the Board's fiscal priorities.

WHEREAS, The public institutions of higher education have, pursuant to 43.88 RCW, submitted their respective operating and capital budget requests for the 2001-2003 biennium to the Governor; and

WHEREAS, The Board approved operating and capital budget guidelines at its January 27, 2000 meeting that stressed review of budget requests from the perspective of the goals set forth in the 2000 HECB Master Plan; and

WHEREAS, The Fiscal Committee of the Board has worked closely with the institutions throughout the spring and summer months of the budget discussion and review process to refine ranking criteria and develop the recommendations to be approved; and,

WHEREAS, The Board has worked in collaboration with the public and private institutions and other organizations to re-examine the enrollment goals set forward in the 2000 HECB Master Plan, the role of the community and technical colleges in meeting these goals, and the capital planning assumptions contained in the Master Plan; and developed these budget recommendations based on information and analysis developed during that process; and

WHEREAS, The Board wishes to express its appreciation to the institutions for their input and assistance in the development of these recommendations; and

THEREFORE, BE IT RESOLVED, That the Washington Higher Education Coordinating Board hereby adopts the 2001-2003 HECB Operating and Capital Budget Recommendations.

Adopted:

October 26, 2000

Attest:

Bob Craves, Chair

Kristianne Blake, Secretary

RESOLUTION NO. 00-52

WHEREAS, The Higher Education Coordinating Board has been directed by the Legislature and Governor, under the terms of the state's 1999-2001 operating budget, to allocate funds to support 550 new full-time equivalent (FTE) student enrollments in high-demand fields and programs in the public baccalaureate and public community and technical colleges during the 2000-01 academic year; and

WHEREAS, The HECB implemented a competitive bidding process for those new enrollments in consultation with the Office of Financial Management and the legislative budget committees, as called for in Section 610(3) of Senate Bill 5180, the state's 1999-2001 operating budget; and

WHEREAS, The HECB allocated those 550 enrollments in December 1999 and July 2000, based on the recommendations of a review committee composed of educators, labor market and economic development specialists from Washington and other states; and

WHEREAS, Following the completion of the process the HECB received notice that one of the successful institutions was unable to fulfill the terms of the enrollment and funding award, resulting in the availability of 24 FTEs and related support funds; and

WHEREAS, HECB staff has recommended that two additional community colleges – Everett Community College and South Seattle Community College – receive the funding necessary to support the remaining enrollments, with 12 full-time enrollment slots allocated to each institution; and

WHEREAS, The HECB finds that both institutions' proposals have consistently received positive evaluations, and that the state would receive more value for its investment by supporting both programs than by choosing one over the other; and

WHEREAS, Both colleges have shown great commitment to their proposals by using re-allocated resources and flexible management strategies to serve students on a limited basis despite failing to receive HECB grants in the earlier rounds of this project; and

WHEREAS, Both colleges would use funding associated with this project to finance significant one-time curriculum development that would provide a long-term benefit to the students served by these programs;

THEREFORE, BE IT RESOLVED that the HECB approves the recommendations of its staff and directs the staff to execute interagency agreements for the allocation of the new enrollments and the release of the related funding.

Adopted:

October 26, 2000

Attest:

Bob Craves, Chair

Kristi Blake, Secretary

**FUTURE TEACHERS CONDITIONAL SCHOLARSHIP
FOR PUBLIC SCHOOL CLASSIFIED K-12 EMPLOYEES
Permanent Rules**

December 2000

EXECUTIVE SUMMARY

The Board is asked to adopt permanent rules for the Future Teachers Conditional Scholarship for Public School Classified K-12 Employees. Proposed rules were filed on September 20, 2000, with comments accepted through November 2, 2000. In addition, a public hearing was held on November 2. No comments were received regarding the proposed rules.

BACKGROUND

This Future Teachers program was created through budget proviso by the 2000 Legislature. The program awards conditional scholarships that may be forgiven in exchange for teaching service in the state's K-12 public schools.

The Board approved the filing of emergency rules at its September 2000 meeting. Staff, operating under emergency rules, implemented an application process. The application period closed on November 1, 2000. The HECB has received over 450 applications since the deadline on November 1. Funding for the program is sufficient to make awards to about 60 percent of the applicants. Recipients will be notified in December, with payments beginning in January.

The proposed permanent rules are the same as the emergency rules previously approved by the Board. The rules define the terms under which the conditional scholarships will be awarded and forgiven in exchange for teaching service, or repaid by the recipient if teaching service is not provided.

BOARD ACTION

The Board is asked to approve the proposed permanent rules for the Future Teachers Conditional Scholarship for Public School Classified K-12 Employees.

RESOLUTION NO. 00-53

WHEREAS, The Legislature has authorized through budget proviso, a demonstration project to provide financial incentives to public school classified employees to obtain their initial teaching certification and become teachers in the public K-12 school system; and

WHEREAS, The Board is the administrator of the program and the Legislature authorized the Board to adopt all rules necessary to implement the program; and

WHEREAS, The Board has approved implementation of the program under emergency rules and requested that staff promulgate permanent rules; and

WHEREAS, Permanent rules have been proposed, a public hearing has been held and the prescribed public comment period has passed; and

WHEREAS, No comments have been received; and

WHEREAS, Over 450 applications are waiting for the selection process to commence;

THEREFORE, BE IT RESOLVED, That the Board adopts the attached proposed rules as permanent for the Future Teachers Conditional Scholarship for Public School Classified K-12 Employees.

Adopted:

December 6, 2000

Attest:

Bob Craves, Chair

Kristi Blake, Secretary

DISPLACED HOMEMAKER PROGRAM

Proposed Rule Changes

December 2000

BACKGROUND

A briefing on the proposed rule changes for the Displaced Homemaker Program (WAC 250-44) was presented to the Board at its October 26, 2000 meeting. The pre-proposal filing was submitted to the Code Reviser on July 18, 2000 and the proposed rule changes were filed on September 20, 2000. The public hearing was held on October 25, 2000.

Since the creation of the Displaced Homemaker Program in 1979, program rules have required HECB staff to issue contracts each biennium through a Request for Proposal (RFP) process. Historically, the majority of contractors have been funded for more than 10 years. However, they have been required to go through the exhaustive RFP process repeatedly to compete for funding. This process is costly, time-consuming, and inefficient for both the HECB staff and contractors. The purpose of the proposed rule changes is to significantly streamline this process.

HIGHLIGHTS OF PROPOSED RULE CHANGES

The proposed rule changes include:

- Technical corrections.
- Creation of initial and renewal contracts.
- Provision for DHP contractors to renew their biennial contracts for one ensuing biennium, if they are in full contract compliance and meet specified performance indicators.
- Replacing letters of intent and a lengthy RFP process for funding with an efficient competitive application process.

The proposed rule changes are supported by public testimony and endorsements from the program's statewide advisory committee. As a result of public testimony, HECB staff recommend that the original language proposed amending WAC 250-44-110 (4) and WAC 250-44-150 (4) be modified to replace the word "subsequent" with "ensuing." This is a minor technical change.

BOARD ACTION

The Board is asked to adopt permanent rules amending the Washington State Displaced Homemaker Program.

Resolution 00-54

WHEREAS, The Higher Education Coordinating Board has completed a review of the Displaced Homemaker Program process for distributing funds; and

WHEREAS, A revised competitive process will allow contractors to renew their contracts for one ensuing biennium, if they are in full contract compliance and meet specified performance indicators; and

WHEREAS, A revised process will save Board staff and contractors time and money; and

WHEREAS, Staff have filed notice of the proposed changes in WSR 00-15-046, held a public hearing, and prepared the proposed rules for adoption;

THEREFORE, BE IT RESOLVED, That the Higher Education Coordinating Board adopts as permanent rules the changes proposed to Washington Administrative Code 250-44-020; 250-44-040; 250-44-050; 250-44-060; 25-44-070; 250-44-080; 250-44-090; 250-44-110; 250-44-130; 250-44-140, 250-44-150, 250-44-160, 250-44-190, and repeals 250-44-210, as attached hereto.

Adopted:

December 6, 2000

Attest:

Bob Craves, Chair

Kristi Blake, Secretary

AMENDATORY SECTION (Amending Order 4-87, Resolution No. 87-57, filed 7/31/87)

WAC 250-44-020 Program administration. Responsibility for all aspects of administration of the displaced homemaker program, subject to these regulations, shall be vested in the executive director of the board. (~~The executive director shall provide progress reports to the board and to the governor and the appropriate committees of the legislature.~~)

AMENDATORY SECTION (Amending Order 4-87, Resolution No. 87-57, filed 7/31/87)

WAC 250-44-040 Definitions. Unless the context clearly requires otherwise, the definitions in this section apply throughout this chapter.

(1) "Act" means the Displaced Homemaker Act, chapter 28B.04 RCW, as amended.

(2) "Advisory committee" means the advisory committee established pursuant to WAC 250-44-030.

(3) "Appropriate job opportunities" means opportunities to be gainfully employed, as defined in subsection (9) of this section, in jobs which build upon all relevant skills and potential skills of the individual displaced homemaker, including opportunities in jobs which in the past may not generally have been considered traditional for women.

(4) "Center" means a multipurpose service center as defined in subsection (10) of this section.

(5) "Board" means the higher education coordinating board.

(6) "Displaced homemaker" means an individual who:

(a) Has worked in the home for ten or more years providing unsalaried household services for family members on a full-time basis; and

(b) Is not gainfully employed;

(c) Needs assistance in securing employment; and

(d) Meets one of the following criteria;

(i) Has been dependent on the income of another family member but is no longer supported by that income; or

(ii) Has been dependent on federal assistance but is no longer eligible for that assistance; or

(iii) Is supported as the parent of minor children by public assistance or spousal support, but whose youngest child is within two years of reaching majority.

(7) "Executive director" means the executive director of the board.

(8) "Executive officer" of the sponsoring organization means the chief executive or senior officer of the organization.

(9) "Gainfully employed" means employed for salary or wages

on a continuing basis and earning at least an amount equal to the standard of need established under RCW 74.04.770.

(10) "Multipurpose service center" means a center contracted for under the act, which either provides directly, or provides information about and referral to, each type of program of service as defined in subsection (14) of this section.

(11) "Objective" means a purpose of a program of service which can be quantified and for which objective measurements of performance can be established.

(12) "Displaced homemaker program" means the program of contracts for multipurpose service centers and programs of service for displaced homemakers authorized by the act.

(13) "Program" means a program of service as defined in subsection (14) of this section.

(14) "Program of service" means one of the specific services listed in subdivisions (a) through (g) of this subsection, and meeting the criteria set forth in the subdivision.

(a) Job counseling services, which shall:

(i) Be specifically designed for displaced homemakers;

(ii) Counsel displaced homemakers with respect to appropriate job opportunities (as defined in subsection (3) of this section); and

(iii) Take into account and build upon the skills and experience of a homemaker and emphasize job readiness as well as skill development.

(b) Job training and job placement services, which shall:

(i) Emphasize short-term training programs and programs which expand upon homemaking skills and volunteer experience and which prepare the displaced homemaker to be gainfully employed as defined in subsection (9) of this section;

(ii) Develop, through cooperation with state and local government agencies and private employers, model training and placement programs for jobs in the public and private sectors;

(iii) Assist displaced homemakers in gaining admission to existing public and private job training programs and opportunities, including vocational education and apprenticeship training programs; and

(iv) Assist in identifying community needs and creating new jobs in the public and private sectors.

(c) Health counseling services, including referral to existing health programs, which shall:

(i) Include general principles of preventative health care;

(ii) Include health care consumer education, particularly in the selection of physicians and health care services, including, but not limited to, health maintenance organizations and health insurance;

(iii) Include family health care and nutrition;

(iv) Include alcohol and drug abuse; and

(v) Include other related health care matters as appropriate.

(d) Financial management services, which shall:

(i) Provide information and assistance with respect to

insurance, taxes, estate and probate problems, mortgages, loans and other related financial matters; and

(ii) Include referral, wherever feasible and appropriate, to public legal assistance programs staffed by attorneys.

(e) Educational services, which shall:

(i) Include outreach and information about courses offering credit through secondary or postsecondary education programs, and other re-entry programs, including bilingual programming where appropriate; and

(ii) Include information about such other programs (~~as the board may determine~~) determined by the board to be of interest and benefit to displaced homemakers, and for which appropriate informational materials have been provided by the board.

(f) Legal counseling and referral services, which shall:

(i) Be limited to matters directly related to problems of displaced homemakers;

(ii) Be supplemental to financial management services as defined in subdivision (d) of this subsection; and

(iii) Emphasize referral, wherever feasible and appropriate, to public legal assistance programs staffed by attorneys.

(g) General outreach and information services with respect to federal and state employment, education, health, public assistance, and unemployment assistance programs which the board may determine to be of interest and benefit to displaced homemakers, and for which the board distributes appropriate informational materials.

(15) "Reaching majority" means reaching age eighteen.

(16) "Sponsoring organization" means a public institution, agency or governmental entity, or a chartered private nonprofit institution or organization which has legal authority to submit an application, enter into a contract, and provide the programs of service covered by the application, and which agrees to provide supervision and financial management to ensure compliance with the terms and conditions of the contract.

(17) "Training for service providers" means activities which provide training for persons serving the needs of displaced homemakers.

(18) "State-wide outreach and information services" means activities designed to make general outreach and information services for displaced homemakers available throughout Washington including but not limited to areas (~~not~~) directly served by multipurpose service centers or other programs of service under the displaced homemaker program.

(19) "Subsistence" means support provided to, or paid to recipients for support services including all living expenses, child care, and transportation.

(20) "Performance indicators" means expected levels of services and outcomes as established by the executive director and made available in the application guidelines.

(21) "Initial contract" means a contract awarded based on a competitive process and the evaluation of an initial application.

(22) "Renewal contract" means a contract awarded to a

current sponsoring organization for the ensuing biennium, based on the evaluation of a renewal application.

AMENDATORY SECTION (Amending Order 95-02, filed 3/16/95, effective 4/16/95)

WAC 250-44-050 Utilization of available contract funds.

(1) ~~((Each biennium))~~ The executive director shall issue contract application guidelines which shall establish criteria for specific utilization of available contract funds. The guidelines shall set forth:

(a) ~~The maximum contract amount ((for a multipurpose service center to be provided depending on available funds under the act during the upcoming biennium))~~ available for funding of a multipurpose service center.

(b) ~~The maximum contract amount ((for a contract for a program or programs of service depending on available funds under the act during the upcoming biennium))~~ available for funding of a program or programs of service.

(c) A reservation of funds for contracts to provide state-wide outreach and information services and/or training for service providers.

(2) At least two multipurpose service centers, each located in a highly populated area, ~~((will))~~ shall be supported under the displaced homemaker program, provided adequate funds have been appropriated.

(3) Remaining funds ~~((will))~~ shall be used for contracts selected to provide geographic dispersion of displaced homemaker multipurpose service centers and programs of service.

AMENDATORY SECTION (Amending Order 4-87, Resolution No. 87-57, filed 7/31/87)

WAC 250-44-060 Eligibility to apply for contracts. Either an initial or renewal application for a contract to provide either a multipurpose service center or one or more programs of service for displaced homemakers or training for service providers may be submitted by a sponsoring organization, as defined in WAC 250-44-040(16).

(1) The board ~~((will))~~ shall require appropriate documentation of the nonprofit status of an applicant ~~((which))~~ that is nonpublic.

(2) ~~((Letters of intent, accompanied by the required documentation of nonprofit status will be required prior to~~

~~submission of an application, and will be screened by the staff of the board. Sponsoring organizations verified to be eligible will then be invited to submit applications.~~

~~(3) Consortia of appropriate)) Organizations ((are encouraged, but)) that apply as a consortium shall submit a single application ((by a single)). The application shall be submitted by the sponsoring organization((, which)) that will serve as fiscal agent for the consortium((, is to be submitted for each proposed consortial center, program of service, or multiple programs of service to be operated by a consortium)).~~

AMENDATORY SECTION (Amending Order 2/84, Resolution No. 84-76, filed 7/3/84)

WAC 250-44-070 Standards to be met by applicants. In addition to eligibility as a public or nonprofit organization, each sponsoring organization ((will)) shall be required to provide evidence of adequate staff or governing board provisions to provide administrative and financial management oversight services to ensure contract compliance ((with contract provisions and conditions)).

AMENDATORY SECTION (Amending Order 4-87, Resolution No. 87-57, filed 7/31/87)

WAC 250-44-080 Eligible expenditures and matching requirements. (1) Eligible expenditures(~~(. Expenditures eligible to be included in budgets under applications to provide multipurpose centers, programs of service or training for service providers,))~~ include all operating expenses ((needed)) necessary to carry out the training, counseling, and referral services covered in the proposal, and to provide outreach activities related to the services, subject to the following limitations:

(a) No funds under the contract budgets ((may)) shall be utilized to provide subsistence or stipends for recipients of the services provided.

(b) No funds under the contract budgets ((may)) shall be utilized to pay for student tuition and fees for enrollment in education programs or courses except under specific prior approval by the executive director.

(c) ((Any)) All out-of-state travel or any subcontracts with other agencies or organizations, to be paid for with funds under contract budgets, must be specifically approved in advance by the executive director or the director's designee; and

(d) Formula allocations of overhead or other expenses of the sponsoring organization not directly related to the provision of the services covered by the contract (~~may~~) shall not be included in the contract budget, but charges for direct services in support of the contract such as financial accounting services, printing services, transportation, etc., may be included.

(2) Although the contract budget (~~may~~) shall not support subsistence, stipends, or tuition and fee payments (unless approved in advance) for recipients of services under the contract, sponsoring organizations are encouraged wherever possible and appropriate to obtain and provide funds for such purposes from other sources (~~(JTPA, for example) in cases of financial need~~).

(3) Matching requirements. At least thirty percent of the funding for each center or program supported by a contract under the act must be provided by the sponsoring (~~agency~~) organization, based on the original contract amount.

(a) Validation of the provision of required matching support (~~will~~) shall be provided (~~by detail in the budget proposed~~) as required in each application.

(b) Matching may be provided either in the form of supplemental funds, from any source other than the contract under the act, to pay for services separately accounted for in carrying out the activities covered by the contract, or in the form of contributed services or contributions in-kind also specifically and separately accounted for.

(c) Contributions in-kind may include materials, supplies, chargeable services such as printing services or transportation, salaries and fringe benefit costs for paid employees of the sponsoring organization to the extent such employees work directly in the provision of services under the contract or providing direct support such as secretarial or accounting support, and the equivalent value of contributed volunteer services on the same basis: Provided, That the dollar value of contributed volunteer services shall be calculated by determining the hourly rate for comparable paid positions for which the volunteer is fully qualified, and multiplying the hourly rate times the number of hours of service contributed.

AMENDATORY SECTION (Amending Order 4-87, Resolution No. 87-57, filed 7/31/87)

WAC 250-44-090 Required assurances. No contract (~~will~~) shall be awarded unless the sponsoring organization includes in its application the following assurances:

(1) No person in this state, on the grounds of sex, age, race, color, religion, national origin, or the presence of any sensory, mental, or physical handicap, shall be excluded from

participating in, be denied the benefits of, or be subjected to discrimination under, any program or activity funded in whole or in part with funds made available under the act;

(2) The sponsoring organization (~~((will))~~) shall actively seek to employ for all staff positions supported by funds provided under the act, and for all staff positions supported by matching funds under any contract, including supervisory, technical and administrative positions, persons who qualify as displaced homemakers;

(3) Services provided to displaced homemakers under the contract (~~((will))~~) shall be provided without payment of any fees for the services: Provided, That the executive director may approve exceptions to this requirement upon determining that such exceptions would be in the best interest of displaced homemaker program objectives;

(4) First priority for all services provided under the contract (~~((will))~~) shall be given to persons who qualify in all regards as displaced homemakers. Other persons in need of the services due to similar circumstances may be assisted if provision of such assistance (~~((will))~~) shall not in any way interfere with the provision of services to displaced homemakers as defined in the act. The sponsoring organization (~~((will))~~) shall include in its reports separate and distinct accountability for services to displaced homemakers and to other persons in need of the services;

(5) The sponsoring organization agrees to comply in full with the accounting and reporting requirements set forth in WAC 250-44-100 and such other accounting and reporting requirements as may (~~((reasonably))~~) be established by the executive director.

(6) The sponsoring organization agrees to participate in evaluation procedures (~~((to be established pursuant to WAC 250-44-210))~~), including the use of ((a)) all specified uniform (~~((intake))~~) client classification forms for persons to whom services are provided, and specified uniform evaluation questionnaires;

(7) The sponsoring organization will actively seek to coordinate activities under the contract with related activities and services provided by other organizations;

(8) The sponsoring organization understands and agrees that payments from the board under the contract will be provided monthly or quarterly upon submission and approval of payment requests in a form and containing information specified by the executive director of the board, and that approval of payments shall be conditioned upon the executive director's determination that the sponsoring organization is in compliance with the terms of the contract and this chapter;

(9) The executive officer of the sponsoring organization has reviewed the application, including all assurances contained therein, and is authorized to submit the application and execute a contract in accordance with the application if it is approved by the board; and

(10) The executive director and staff of the board will be

provided access to financial and other records pursuant to the contract.

AMENDATORY SECTION (Amending Order 95-02, filed 3/16/95, effective 4/16/95)

WAC 250-44-110 Length of contract periods. (1) Contract periods for each contract((s)) awarded under the act shall be in accordance with each application proposal, subject to contract application guidelines issued by the executive director, but shall not begin before the starting date or extend beyond the end date of the upcoming biennium.

(2) An initial contract shall be awarded on a biennial basis.

(3) A contract funded for the 1999-2001 biennium may be renewed for the 2001-2003 biennium provided the sponsoring organization was in full compliance with all of the terms of the 1999-2001 contract, as evidenced by the on-site compliance reviews.

(4) An initial contract funded for the 2001-2003 biennium, and any contract funded thereafter may be renewed for one ensuing biennium provided the sponsoring organization was in full compliance with the contract and performance indicators established by the executive director.

AMENDATORY SECTION (Amending Order 95-02, filed 3/16/95, effective 4/16/95)

WAC 250-44-130 Calendar and closing dates for ((~~letters of intent,~~) applications and awards. (1) ((~~Organizations wishing to apply for contracts to operate multipurpose service centers, shall submit to the executive director a letter of intent, accompanied by appropriate documentation of public or nonprofit status, as specified in the contract application guidelines.~~

~~(2) The executive director or the director's designee will screen the letters of intent for multipurpose service centers, prepare a list of all eligible organizations which filed letters of intent and distribute the list to all applicants within seven days from the filing date for letters of intent as specified in the contract application guidelines.~~

~~(3) Applications for contracts for multipurpose service centers may be submitted by organizations on the list pursuant to subsection (2) of this section. Applications must be submitted by the date as specified in the contract application guidelines.~~

~~(4) Organizations wishing to apply for contracts to operate programs of service shall submit to the executive director a letter of intent, accompanied by appropriate documentation of public or nonprofit status by the date specified in the guidelines.~~

~~(5) The executive director or the director's designee will screen the letters of intent for programs of service, prepare a list of all eligible organizations which filed letters of intent, and distribute the list to all organizations on the list, within seven days from the filing date for letters of intent as specified in the contract application guidelines.~~

~~(6)) Applications for both initial and renewal contracts ((for programs of service may)) to provide services to displaced homemakers shall be submitted by eligible organizations ((on the list)) pursuant to ((subsection (5) of this section)) WAC 250-44-040(16) by the date specified in the contract application guidelines.~~

~~((7)) (2) The executive director of the board ((will)) shall approve awards of contracts, provided qualifying applications were received by the closing dates specified in ((this section and in)) the application guidelines.~~

~~((8)) (3) In the event that available funds for contracts under the act are not fully utilized after approval of contracts, the executive director ((may)) shall either establish a new calendar for further consideration of applications and award of contracts, or award supplemental funds to existing centers and programs by amendment of contracts in effect, or award supplemental funds for targeted displaced homemaker program initiatives.~~

AMENDATORY SECTION (Amending Order 4-87, Resolution No. 87-57, filed 7/31/87)

WAC 250-44-140 ((Form and)) Content of application. ~~((1) General instructions. All forms and narrative material should be typed, narrative material double spaced. Legibility, clarity, and completeness are essential. All sections of the application must be completed. Unnecessarily elaborate brochures or other presentations beyond those sufficient to present a complete and effective application should be avoided. Elaborate art work, expensive paper and bindings are not necessary and will not count in favor of the application.~~

~~(2) Number of copies. The contract application guidelines shall specify the number of copies of each application to be submitted to the executive director. Copies may be reproduced, but at least two copies submitted shall have the original signature of the executive officer of the sponsoring organization.~~

~~(3) Contents of each application. Each~~) Both initial and renewal applications ~~((is to))~~ shall be submitted using the format and forms prescribed in the contract application guidelines.

AMENDATORY SECTION (Amending Order 4-87, Resolution No. 87-57, filed 7/31/87)

WAC 250-44-150 Criteria for selection of contracts to be awarded. (1) Initial contracts. For each closing date established as specified in WAC 250-44-130, applications will be ranked competitively according to their performance with respect to:

- (a) Size of the potential population to be served;
- (b) Demonstrated need for the proposed services;
- (c) Experience and capabilities of the sponsoring organization;
- (d) Provisions for coordination of services with other organizations providing related services in the geographic area;
- ~~(e) Involvement of displaced homemakers in the planning and development of the proposal;~~
- ~~(f) The quality of the proposed center or program).~~

(2) The executive director shall develop a system for evaluating initial applications with respect to the above-stated criteria, and make available in the application guidelines a description of the system ~~((available to sponsoring organizations which submit letters of intent to file applications))~~.

(3) Final selection of initial applications to be approved will be based upon both relative ranking on factors listed in subsection (1) of this section and appropriate geographic distribution.

(4) Renewal contracts. The sponsoring organization may be eligible to renew its contract for one ensuing biennium provided the sponsoring organization was in full compliance with the 1999-2001 contract. Thereafter, the sponsoring organization may be eligible to renew its contract for one subsequent biennium provided the sponsoring organization was in full compliance with the contract and performance indicators established by the executive director.

(5) The executive director shall develop a system for evaluating renewal applications and make available in the application guidelines a description of the system.

AMENDATORY SECTION (Amending Order 4-87, Resolution No. 87-57, filed 7/31/87)

WAC 250-44-160 Procedure for selection of contracts to be awarded. (1) Initial contracts. The following steps will be employed in screening and selection of applications to be approved for initial contracts:

~~((1))~~ (a) Applications will be screened for eligibility and completeness;

~~((2))~~ (b) A panel of application readers will be established, to consist of board staff members designated by the executive director, members of the advisory committee who are not members of the legislature or employees of sponsoring organizations, and such other persons as may be deemed appropriate by the executive director;

~~((3))~~ (c) Within each category of application as described in WAC 250-44-150(1), the panel of readers will evaluate and rank qualifying applications according to the system published in accordance with WAC 250-44-150(2);

~~((4))~~ (d) The ~~((executive director))~~ advisory committee will consider evaluations prepared by the readers, and will develop a list of recommended approved applications to be awarded contracts;

~~((5))~~ (e) The list of recommended approved applications will be submitted to the executive director of the board for approval. Upon approval the executive director will award the contracts.

(2) Renewal contracts. The following steps will be employed in screening and selection of applications to be approved for renewal contracts:

(a) Applications will be screened for eligibility and completeness;

(b) In cooperation with the advisory committee, or a subset thereof, the board will evaluate qualifying applications in accordance with WAC 250-44-140 and develop a list of recommended approved renewal applications according to the system published in WAC 250-44-150(5);

(c) The list of recommended approved renewal applications shall be submitted to the executive director of the board for approval. Upon approval the executive director will award the renewal contracts.

AMENDATORY SECTION (Amending Order 4-87, Resolution No. 87-57, filed 7/31/87)

WAC 250-44-190 Withholding of contract payments. If the executive director determines that a sponsoring organization is not in compliance with contract provisions of this chapter, the executive director shall suspend payments under the contract and shall file a report with the board and with the sponsoring organization of the reason for suspension of payments. The sponsoring organization may correct the state of noncompliance or may appeal the executive director's determination to the board at its next regular meeting. If the executive director finds that any claimed expenditures under the contract are not eligible under this chapter, the executive director shall deduct such amounts from the next (~~monthly advance~~) request for payment. The sponsoring organization may, through the executive director, request a hearing on the executive director's decision before the board at its next regular meeting.

NEW SECTION

The following sections of the Washington Administrative Code are recodified as follows:

Old WAC number	New WAC number
250-44-070	250-44-090
250-44-080	250-44-160
250-44-090	250-44-100
250-44-100	250-44-190
250-44-110	250-44-140
250-44-120	250-44-170
250-44-130	250-44-070
250-44-140	250-44-080
250-44-150	250-44-110
250-44-160	250-44-120
250-44-170	250-44-130
250-44-180	250-44-150
250-44-190	250-44-180

REPEALER

The following section of the Washington Administrative Code is repealed:

WAC 250-44-210 Evaluation reports.

**EDUCATIONAL OPPORTUNITY GRANT PROGRAM EVALUATION
Report and Recommendations**

December 2000

EXECUTIVE SUMMARY

The Higher Education Coordinating Board (HECB) has conducted a review over the past several months of the Educational Opportunity Grant (EOG) program. The study has evaluated the program's effectiveness in achieving the goals of the enabling legislation. It also has considered whether statutory or regulatory modifications should be proposed, given the 2000 Master Plan for Higher Education's emphasis on placing the learner at the center of higher education decision-making.

The Board discussed study design and preliminary findings at its meetings in May and July 2000, and reviewed a draft report and recommendations of the Board's planning and policy committee at its meeting on October 26, 2000. No additional comments regarding the report or its recommendations have been received since the October meeting.

The final report, which is attached, contains the following recommendations for modification, as discussed by the Board in October:

1. **County of Residence.** Eligibility should be expanded to residents of all counties.
2. **Branch Campuses.** Eligibility should be extended to students who wish to enroll at state-supported branch campuses, enabling recipients to select the program and eligible institution that best responds to their educational goals.
3. **Institutional Participation.** Institutional eligibility should be extended to branch campuses, extension sites, and educational facilities that operate within the state of Washington, that are affiliated with regionally accredited nonprofit institutions in another state, and meet the following criteria:
 - Have delivered on-site classroom instruction within the state of Washington for a minimum specified period of time;
 - Are fully certified and participate in federal student financial aid programs;
 - Are eligible for and participate in the Washington State Need Grant program; and,
 - Provide necessary assurances of administrative capability.
4. **Grant Amounts.** Grant amounts should be established by rule of the Board, rather than in statute, so that they may be periodically adjusted, as necessary, to reflect such factors as changes in the costs of attendance and the availability of other grant assistance.

5. **Period of Award.** Administrative procedures should be modified to permit grant periods to begin during any academic term upon the student's transfer to an eligible institution, with continuing eligibility contingent upon attainment of junior status by the end of the first term of award, with a maximum award period of eight quarters (or equivalent).
6. **Transfer Degrees.** The enabling legislation should be amended to include reference to the Associate of Science degree as an appropriate transfer degree for purposes of establishing eligibility for the EOG.
7. **“Unused Institutional Capacity.”** The concept of “unused institutional capacity” is no longer relevant, and its reference should be eliminated.
8. **Program Status.** Reference to the EOG program as a demonstration project should be deleted, and the program should be continued as an on-going program which complements the state's other financial aid programs.

The Board will be asked to approve Resolution 00-55, adopting the final report and recommendations, on December 6, 2000.

EDUCATIONAL OPPORTUNITY GRANT PROGRAM EVALUATION Report and Recommendations

December 2000

BACKGROUND

The 1987 Master Plan adopted by the Higher Education Coordinating Board (HECB) cited inadequate access to baccalaureate education for the state's urban population as an urgent problem. At the recommendation of the HECB, the 1990 Legislature established the Educational Opportunity Grant (EOG) program¹ as one of three strategies designed to address the need for greater access to baccalaureate education. The other strategies included lifting enrollment lids at four-year public institutions, and creating branch campuses to serve upper-division and graduate students living in the state's urban areas.

The EOG program was created as a demonstration project to provide another educational option for "placebound"² residents of counties served by the branch campuses. It was based on an assumption that the size and, therefore, the construction and operating costs of the proposed branch campuses could be reduced if students could be encouraged, through the provision of a \$2,500 grant, to enroll in existing public or independent institutions with capacity.

The EOG program also was established to allay the concerns of independent colleges and universities that the new branch campuses would reduce their enrollments. Therefore, the enabling legislation specified that the EOG could not be used to attend a branch campus.

Since its inception in 1990, the Educational Opportunity Grant program has provided nearly \$12.5 million in financial aid to assist approximately 3,100 students in completing upper division studies.³ Most recipients have received the grant for two years.

Like other financial aid programs, the EOG program requires recipients to demonstrate financial need. The program is unique, however, in several ways. To receive an EOG a student must:

- Have received an associate of arts degree or its equivalent;
- Intend to complete a baccalaureate degree;
- Meet the statutory definition of "placebound;"
- Reside in one of 13 counties served by a branch campus;
- Attend a Washington public or private four-year college or university with the capacity to accommodate students within existing education programs and facilities; and
- Adhere to the EOG program's religious-program exclusion.⁴

¹ A copy of the statute establishing the EOG program is found in Appendix B.

² RCW 28B.101.020(1) defines placebound as, "unable to relocate to complete a college program because of family or employment commitments, health concerns, monetary inability, or other similar factors." Subpart (2) of the same section states, "...A placebound resident is one who may be influenced by the receipt of an enhanced student financial aid award to attend an institution that has existing unused capacity rather than attend a branch campus established pursuant to chapter 28B.45 RCW. An eligible placebound applicant is further defined as a person whose residence is located in an area served by a branch campus who, because of family or employment commitments, health concerns, monetary need, or other similar factors, would be unable to complete an upper-division course of study but for receipt of an educational opportunity grant."

³ Appendix C provides a report of awards and expenditures, by institution, by year.

Finally, because the program was established to encourage needy, placebound students to attend existing baccalaureate institutions, the enabling legislation also stipulates that recipients may not use the grant to attend a branch campus.⁵

The program serves a population that is unique from that of other aid programs. The typical recipient is older than other aided students, is most likely to be female, and is more likely to have children to support. With a family size of 2.4, and an income of approximately \$15,000, she is expected to contribute about \$1,500 toward her own college costs. She also is likely to receive a State Need Grant, together with other grants, and will borrow over \$5,500 per year to complete her baccalaureate education.

A supplement to other grant aid, the EOG reduces the amount of need-based loans the student would otherwise have to assume or helps cover documented need not met by other aid programs. Its purpose is to provide a financial incentive to enable placebound students who face barriers to continuing their education to enroll in a local college or university or to relocate to complete their baccalaureate degree.

While recipients may reside in any of 13 counties served by a branch campus, traditionally about three-fourths each year are from King, Pierce, Spokane, or Yakima counties.⁶

1994 PROGRAM EVALUATION

The EOG program last underwent comprehensive review in 1994.⁷ That study, conducted by William Chance (NORED), concluded that the program appeared to be meeting its intended purposes and goals. Specifically, it stated, “Grants in the amount of the EOG apparently can induce otherwise placebound students to attend institutions the cost of which otherwise might have been beyond their means. The effects are reflected in the enrollment patterns of EOG recipients, which have been predominantly in local institutions.”

The 1994 evaluation found that the EOG program had been less effective as an inducement for students to relocate (although some participants had done so), noting that the independent variable appeared to be the combination of circumstances affecting the potential mobility of the student. People with jobs, families, or other such responsibilities, were unlikely to relocate to complete their baccalaureate for grants in the amount of the EOG.

The report indicated that the EOG program was reaching its intended clientele and that EOG recipients were more likely to complete their baccalaureate degrees than other students. Students who received EOG awards during the program’s first two years and attended the three institutions with the largest number of recipients, had a baccalaureate degree completion rate of 85 percent – substantially greater than that of other students.

⁴ RCW 28B.101.040, “...The participant shall not be eligible for a grant if it will be used for any programs that include religious worship, exercise, or instruction or to pursue a degree in theology...”

⁵ RCW 28B.101.040, “...Grants shall not be used to attend any branch campus or educational program established under chapter 28B.45 RCW...”

⁶ Other eligible counties include Benton, Clark, Cowlitz, Franklin, Kitsap, Skamania, Snohomish, Thurston, and Walla Walla. See Appendix D.

⁷ Chance, William (May 1994), *Educational Opportunity Grant Program Evaluation for the Washington State Higher Education Coordinating Board*.

However, the study raised questions regarding the statutory provisions limiting eligibility to residents of counties served by branch campuses and restricting use of the EOG at the branch campuses. Following consideration and discussion of the 1994 evaluation, the Board chose to continue the program as currently enacted.

LEGISLATIVE INTEREST

In each of the last three years, legislation has been considered to modify various aspects of the EOG program. Bills introduced in 1997, and reconsidered in 1998, proposed to do one or more of the following: (1) extend eligibility to students from all counties; (2) permit use of the grant at branch campuses; (3) eliminate references to unused capacity; and (4) use grants to fill under-enrollments. Another bill, introduced in 1998, would have authorized the use of Educational Opportunity Grants at WSU's Vancouver branch campus and for Oregon border reciprocity. In 1999, some legislators expressed interest in expanding eligibility to students in all counties, but deferred action until the Board had had an opportunity to complete its review of the program and recommend any modifications.

2000 PROGRAM REVIEW

In conducting the current EOG program review, HECB staff evaluated the program's effectiveness in achieving the goals of the enabling legislation. The study also considered whether to propose statutory or regulatory modifications, given changes that have occurred in higher education delivery since 1990, when the program was established, particularly given the emphasis in the Board's 2000 Master Plan for Higher Education on placing the learner at the center of higher education decision making.

Part I: Evaluation of Program Effectiveness in Achieving Statutory Goals. Because of its size, the program cannot be viewed as having had a significant impact on the statewide baccalaureate degree completion rate. Therefore, program effectiveness has been evaluated from the perspective of the program's influence on the enrollment patterns of the urban, placebound students the program was designed to assist.

Two study questions were identified for analysis:

- **Question 1:** Does participation in the EOG program associate with increased persistence toward a baccalaureate degree? (Or, stated another way, how did the number of credits attempted and completed by EOG recipients compare to other aided, upper-division Washington students?); and
- **Question 2:** To what extent does participation in the EOG program associate with enrollment at a Washington four-year institution? (Or, to what extent does the EOG program influence urban, placebound students to pursue upper-division coursework?)

The 1994 evaluation utilized student surveys for its analysis of program performance. To complement that work, and to gain a different perspective, staff decided to employ statistical analysis in conducting the current review.

The study period commenced with the 1994-95 academic year. Data were collected from five sources:

- EOG recipient data file;
- EOG denied applicant data file;
- Student financial aid recipient (Unit Record Report) database;
- Student financial aid application (Free Application for Federal Student Aid) database; and
- Enrollment records provided by institutions, showing credits attempted and completed by students in the sample populations during a designated timeframe.

Question 1: How did the number of credits attempted and completed by EOG recipients compare to other aided, upper-division Washington students?

According to enabling legislation, it is the intent of the program to assist placebound students who have completed an associate of arts degree, or its equivalent, in an effort to increase their participation in, and completion of, upper division programs. To assess whether the EOG program is achieving this statutory goal, staff compared the total number of credits earned by EOG recipients over a two-year period to two comparison groups: (1) other upper-division financial aid recipients from the 13 counties designated as EOG-eligible; (2) and upper-division financial aid recipients from the 26 Washington counties not currently eligible to participate in the EOG program. Institutions provided term-by-term enrollment data for each of the students in the HECB's sample populations, for specified time periods.

Information provided by the institutions revealed that EOG recipients completed four credits more over a two-year period than other upper-division, aided students from EOG-eligible counties. This difference is not statistically significant, and does not seem noteworthy until further observation is made of the difference in the profiles of EOG recipients, compared to other aided, upper division students from the same counties. As shown in greater detail in Table 1, EOG recipients were:

- Older (29, compared to 26);
- Half as likely to be dependent on their parents for support (18 percent, compared to 38 percent);
- Much more likely to have children of their own (61 percent, compared to 35 percent); and
- Needier than students in their same-county comparison group (with a mean financial need of \$15,928, compared to \$11,913).

Considering the existence of multiple factors that presumably made their participation in higher education more difficult, the fact that these placebound students completed as many credits as other aided students from the same counties is a positive finding.

Surprisingly, the enrollment data revealed that EOG recipients earned 16 quarter credits *more*, over a two-year period than upper division financial aid recipients in the study group from counties not eligible for the EOG program. Further comparison of the profiles of these two populations indicates somewhat more similarity than was found between EOG recipients and other aided students from eligible counties.

Table 1
Selected Variables of Sample Populations
EOG Recipients Compared to Upper Division Aid Recipients
From Eligible and Ineligible Counties
1994-95 through 1997-98 Cohorts

Means and Frequencies of Selected Variables by Group

Variable	EOG Participant N= 164	Other Upper Division Aid Recipients from Eligible Counties N= 162	Other Upper Division Aid Recipients from Ineligible Counties N= 162
Mean Age	29	26	28
Gender			
Female	74%	59%	62%
Male	26%	41%	38%
Family Status			
Dependent	18%	38%	29%
Ind., Single	16%	23%	23%
Ind., Single, Child	35%	20%	28%
Ind., Married	6%	4%	5%
Ind., Married, Child	26%	15%	15%
Race/Ethnicity			
White	70%	57%	77%
African American	4%	3%	1%
Native American	3%	3%	6%
Asian/Pacific Islander	9%	23%	5%
Latino/Hispanic	7%	7%	3%
Other/Unknown	7%	6%	9%
Mean Expected Family Contribution	\$ 1,482	\$ 1,338	\$ 1,319
Mean Financial Need	\$15,928	\$11,913	\$10,797

Conclusion

In summary, the “boost” provided by the EOG has enabled recipients to participate in upper division studies at the same rate as other students with fewer barriers. Furthermore, the data suggests that the EOG might be effective in improving the enrollment of “placebound” students in counties not presently served by the program.

Question 2: To what extent does the EOG program influence urban, placebound students to pursue upper division coursework?

To answer this question, the enrollment patterns of three different groups of students who applied for an EOG for the 1998-99 school year were compared, to determine if they were equally likely to enroll in a four-year institution within the first year of EOG application. The three groups were:

- **EOG Recipients:** Students who received EOG funds during the 1998-99 school year.
- **EOG Eligible Non-Participants:** Students who were awarded EOG eligibility, but did not receive EOG funds during the 1998-99 school year.
- **EOG Denied Applicants:** Students who completed the application process, but did not meet EOG criteria of “placebound” and/or financial need.

Based on institutional enrollment data, 62 percent of the eligible non-participants did not enroll at a participating institution during the 1998-99 academic year. Conversely, 38 percent attended for at least part of the academic year without receiving an EOG. Some of these students, who appeared to be eligible based on their EOG application form but did not use a grant, enrolled at a branch campus and could not use the EOG. Others, who had anticipated achieving junior standing for the upcoming academic year, did not reach that goal. Still others may have been determined to be ineligible by the institution they attended for various other reasons, such as revised financial need, or failure to enroll for or complete enough credits.

It is interesting to note that there is little difference in the profiles of EOG participants and eligible non-participants, (see Table 2). Further statistical analysis, controlling for multiple factors, indicates that only a part of the difference in enrollment can be attributed to age, expected family contribution, financial need, gender, or race/ethnicity. The data revealed, however, that a higher percentage of non-enrolled, eligible non-participants had children, which may have influenced their enrollment decision. It was also interesting to note that a much higher percentage of eligible non-participants were from King County, where the job market may have influenced a decision to defer education, or where they may have attended other, non-participating institutions.

Conversely, significant differences were observed between EOG recipients and denied applicants. Applicants who were denied were younger, had a much higher expected family contribution, had less financial need, and were significantly more likely to be dependent on their parents for support. As a group, these students did not meet the definition of “placebound.” Ninety-one percent of the denied applicants enrolled at a participating institution during the 1998-99 academic year. One could reasonably conclude that the application process effectively identifies students who do, and who do not, need the grant in order to continue upper division programs, since the preponderance of denied applicants attended without the grant.

Table 2
1998-99 Sample Groups
EOG Recipients Compared to EOG-Eligible Non-Participants and Denied Applicants

Means and Frequencies of Selected Variables by Group

Variable	EOG Recipients n=149	EOG-Eligible Non-Participants n=71	EOG Denied Applicants n=150
Mean Age	27	29	24
Mean EFC	\$1,859	\$1,818	\$6,149
Mean Need	\$13,548	\$13,274	\$9,730
Gender			
Female	101 (68%)	46 (65%)	80 (53%)
Male	48 (32%)	25 (35%)	70 (47%)
Family Status			
Dependent	39 (26%)	13 (18%)	86 (57%)
Ind, Single	43 (29%)	17 (24%)	29 (19%)
Ind, Single, Child	34 (23%)	20 (28%)	8 (5%)
Ind Married	9 (6%)	4 (6%)	17 (11%)
Ind Married Child	24 (16%)	17 (24%)	10 (7%)
Race/Ethnicity			
White	90 (60%)	37 (52%)	93 (62%)
African American	10 (7%)	4 (6%)	8 (5%)
Native American	3 (2%)	1 (1%)	4 (3%)
Asian/Pacific Islander	19 (13%)	6 (8%)	15 (10%)
Latino/Hispanic	10 (7%)	6 (8%)	10 (7%)
Other/Unknown	17 (11%)	17 (24%)	20 (13%)
County			
Benton	3 (2%)	1 (1%)	2 (1%)
Clark	2 (1%)	1 (1%)	1 (1%)
Cowlitz	4 (3%)	1 (1%)	1 (1%)
Franklin	1 (1%)	0 (0%)	2 (1%)
King	38 (25%)	22 (31%)	30 (20%)
Kitsap	7 (5%)	5 (7%)	8 (5%)
Pierce	28 (19%)	11 (15%)	22 (15%)
Skamania	0 (0%)	0 (0%)	0 (0%)
Snohomish	10 (7%)	6 (8%)	20 (13%)
Spokane	30 (20%)	9 (13%)	30 (20%)
Thurston	9 (6%)	4 (6%)	15 (10%)
Walla Walla	3 (2%)	0 (0%)	4 (3%)
Yakima	14 (9%)	4 (6%)	10 (7%)
Unknown	0 (0%)	7 (10%)	5 (3%)

Conclusion

In summary, the Educational Opportunity Grant program appears to be responsive to its statutory goal of increasing the participation and completion of upper-division programs by placebound students. EOG recipients are much more likely to enroll than other students with similar characteristics who do not receive an EOG. Once enrolled, EOG recipients tend to complete as many, or more, credits than other upper division, aided students, even though they face many challenging barriers.

Part II: Consideration of Statutory or Regulatory Modifications

At the outset of the study, the Board determined that the review should consider whether current EOG program criteria are relevant in today's educational environment, or whether modifications should be proposed, given changes in higher education delivery since the program's establishment in 1990. Therefore, the study incorporated a review of student eligibility, institutional eligibility, and grant amounts. The issues addressed by the study and the Board's recommendations follow.

Issue 1: Should the EOG program continue to serve only urban placebound students who reside in counties served by branch campuses established under Chapter 28B.45 RCW, or should it be extended to eligible residents in all counties?

Background. RCW 28B.101.020(1) defines "placebound" as "unable to relocate to complete a college program because of family or employment commitments, health concerns, monetary inability, or other similar factors." Subsection (2) continues, "...A placebound resident is one who may be influenced by the receipt of an enhanced student financial aid award to attend an institution that has existing unused capacity rather than attend a branch campus who, because of family or employment commitments, health concerns, monetary need, or other similar factors, would be unable to complete an upper-division course of study but for receipt of an educational opportunity grant."

The 1987 Master Plan adopted by the HECB, which introduced the need for branch campuses (and subsequently the EOG program), indicated concern about the state's production of baccalaureate-degree recipients, citing access to baccalaureate institutions as a serious problem. It noted that "people of all ages and incomes can be placebound, but our older population is a large share." It noted that relocation is difficult and costly for placebound students who would find it difficult to find jobs in the rural areas in which most of the state's public baccalaureate institutions are situated, placing increased burden on the financial aid system. Particular concern was raised regarding the educational needs of the state's urban population.

The EOG program was established to make it financially possible for needy, placebound students who face multiple barriers to baccalaureate education to enroll in a local college or university, or to relocate to attend another institution. The law limits eligibility to students who live in counties served by branch campuses. As can be seen on the map in Appendix D, these counties are predominantly in the state's urban areas.

Discussion. Students served by the EOG program share characteristics that make it difficult to complete baccalaureate degrees. They are older, self-supporting, and primarily heads-of-household. Personal circumstances often prevent them from relocating to pursue upper division coursework.

The EOG program fills a unique and important niche by assisting this population. However, it is difficult to argue that students with those same characteristics who reside in the more rural counties not served by branch campuses are not at least as "placebound" as those who live in urban counties served by branch campuses. The current "county of residence" limitation creates inequities and does not respond to the needs of individuals from all parts of the state who face barriers that preclude baccalaureate degree completion.

Recommendation. The EOG program should continue to serve students who are placebound by virtue of their personal and family circumstances. However, eligibility should be extended to students from all counties.

Such a change is not anticipated to result in a large increase in the number of individuals applying for an EOG, since the population and college participation rates of the additional counties are significantly smaller than the urban counties that are currently eligible. (In 1998, 82 percent of the students enrolled in public four-year institutions were from counties that are currently eligible for the EOG program.)

Issue 2: Should other student eligibility criteria be modified? The study also considered whether other student eligibility criteria, as presently operationalized, should be modified.

Full Time Attendance. The EOG is designed as a two-year program to help upper division students complete a baccalaureate degree in a timely manner. (Third-year awards may be made to students in programs that traditionally require more than two years to complete, and who request continuation of the grant.) Although full-time enrollment is emphasized, recipients who attend at least half-time (six credits or more) continue to receive the full EOG as long as they meet the financial need criteria.

Discussion. EOG recipients tend to enroll full-time and, if possible, year-round, in order to complete their programs as quickly as possible and enter or re-enter the labor market. However, it is occasionally necessary for a recipient to attend less than full-time. Institutional aid administrators report that the at-risk population served by the EOG program needs to have the flexibility to attend less than full-time without losing grant eligibility. They recommend that, while emphasizing service to full-time students within the bounds set by total length of eligibility, the EOG program should permit otherwise eligible recipients to receive the grant for less than full-time attendance.

Recommendation. The EOG program should continue to encourage full-time attendance, but retain flexibility to assist recipients who need to temporarily reduce their course-load, as long as the student is enrolled at least halftime and is otherwise eligible for the grant.

Class Standing. The enabling legislation for the EOG program states in RCW 28B.101.020(2), “To be eligible for an educational opportunity grant, applicants must . . . have completed the associate of arts degree or its equivalent.” Rules adopted by the HECB (WAC 250-70-020(8)) define “associate of arts degree or equivalent” as coursework comparable to admission at the junior level or above by the enrolling institution.

Discussion. Students typically may apply for the EOG in anticipation of completion of a transfer degree and subsequent enrollment in a baccalaureate institution. They may be admitted to a four-year institution and begin study before their transcripts have been fully evaluated and class standing has been determined.

Grants are prorated to include only the terms in the academic year after which the student has officially achieved junior status. Eligibility is forfeited if junior standing is not attained by the start of winter term. In some cases, particularly when a student completes his or her transfer degree during summer term and immediately enrolls in a baccalaureate program for fall, institutions are unable to complete transcript evaluation in time to make a fall term EOG disbursement. In other instances, students may be required to complete prerequisites to be admitted to their major with junior standing. If they cannot complete the prerequisites prior to the start of winter term, they become ineligible for the full year. A more flexible system that provides a reasonable amount of time for transcript evaluation and attainment of junior standing would benefit program recipients.

Also, as specified in the enabling legislation, current HECB rules require recipients to complete an associate of arts degree or its equivalent, defined as coursework comparable to admission at the junior level or above by the enrolling institution. In recent years, community colleges have begun to award associate of science degrees, which are recognized as equivalent to the associate of arts degree.

Recommendations.

- 1.) The HECB should amend EOG rules to include other direct transfer degrees, such as the associate of science degree, for purposes of establishing EOG eligibility.
- 2.) An EOG recipient who has been awarded an associate of arts degree or its equivalent, as defined by the HECB, should be eligible to receive the grant upon transfer to a baccalaureate institution. However, to continue to receive the EOG, the student must have attained junior status by the end of the first term of the award.

Initial Eligibility and Renewability. Funding for the EOG program has varied widely from biennium to biennium. To avoid disruptions in study that might otherwise result for this population if grants were not renewable, the program has adopted a funding priority that first awards renewals, then new full-time applicants, and then third year petitions. As noted above, awards are generally available for two years, subject to the student's continuing eligibility and good standing. On a funds-available basis, students may receive grants for summer enrollment.

Discussion. Institutional financial aid administrators advise that the two-year award period is critical to the population served by the EOG program. They report that recipients are often anxious to complete their programs as quickly as possible, and suggest building greater flexibility into the program.

For example, EOG recipients could be better served if their initial awards could begin during any academic term, upon transfer to an eligible institution, and be used for up to two full years, including summer term. Subject to continuing eligibility, students would be advised that they could receive a specified maximum grant amount for attendance, up to a maximum number of academic terms. Given the characteristics of the recipient population, recipients should have the flexibility to "stop out" for one academic term without losing eligibility for the grant. However, since it is the goal of the program to encourage timely completion of the baccalaureate degree, recipients who fail to enroll for more than one term should be required to reapply for the grant, with the number of terms previously awarded counted toward their overall maximum.

These modifications would require development of administrative procedures to track student eligibility. Such procedures would not be difficult to implement, since similar tracking is done for other state financial aid programs.

Recommendation: EOG recipients should be able to receive their grant to begin upper division study during any academic term. New recipients should be advised that as long as they maintain eligibility, they may receive the EOG for up to eight quarters (or equivalent) of study. Renewability will not be forfeited if a student stops out for a single term during the academic year. However, students who fail to attend for more than one regular academic term during the period of their award will be required to reapply for the grant. If they are reawarded, previous terms of enrollment during which they received an EOG will count toward their total eligibility.

The HECB should design and implement administrative procedures necessary to track recipient eligibility.

Issue 3: Should institutional eligibility be reconsidered?

RCW 28B.101.040 specifies that “Grants may be used by eligible participants to attend any public or private college or university in the state of Washington that is accredited by an accrediting association recognized by rule of the Higher Education Coordinating Board and that has the capacity to accommodate such students within existing educational programs and facilities.” It also states, in the same section, that “Grants shall not be used to attend any branch campus or educational program established under chapter 28B.45.RCW” (the statute creating branch campuses).

Accreditation. Current EOG rules adopted by the HECB (WAC 250-70-030(1)) require that non-public baccalaureate institutions in the state of Washington be accredited by the Northwest Association of Schools and Colleges. In addition, the rules specify that any branch, extension or facility operating within the state of Washington, which is affiliated with an institution operating in another state, must be a separately accredited member institution of the Northwest Association.

Discussion. Washington students may pursue baccalaureate degrees from several out-of-state institutions that offer instruction in Washington State. Some of these institutions have provided baccalaureate instruction in Washington for many years. Although their parent campuses are accredited by the regional accrediting association for their area, they are not eligible to participate in state financial aid programs because their Washington locations are not separately accredited by the Northwest Association.

At the end of last year’s legislative session, a bill was introduced to amend the State Need Grant and State Work Study statutes. It sought to redefine “eligible institution” to include branch campuses of a member institution of an accrediting association, recognized by rule of the Board, as long as the branch is eligible for federal student financial aid programs and has operated as a nonprofit entity, delivering on-site classroom instruction within the state of Washington for a minimum of ten consecutive years. It is anticipated that the bill will be reintroduced during the 2001 Legislative Session. Rules defining institutional eligibility for the EOG program could also be so amended.

Although the number of EOG recipients who would opt to attend these out-of-state branch campuses is expected to be minimal, there is no logical rationale to exclude them from participation as long as adequate safeguards are in place to ensure reasonable administrative capability and consumer protection. At a minimum, such educational sites should be required to participate in the State Need Grant and federal financial aid programs, since EOG recipients are dependent on other sources of financial aid in order to attend. In addition, they should be required to demonstrate that they are willing and able to properly administer the program.

Recommendation. Should the Legislature modify State Need Grant statute to extend eligibility to branches of accredited nonprofit institutions from other states, EOG rules should be amended to correspond. At a minimum, an institution, branch, extension, or facility operating within the state of Washington, which is affiliated with a regionally accredited, nonprofit institution in another state must:

- Have delivered on-site classroom instruction within the state of Washington for a minimum specified period of time,
- Be fully certified and participate in federal student financial aid programs;
- Be eligible and participate in the Washington State Need Grant program; and
- Provide necessary assurances of administrative capability.

All eligible institutions must agree to, and comply with, program rules and regulations adopted by the Higher Education Coordinating Board, as well as procedures specified by the Board for program administration.

Capacity. Current law indicates that recipients may use the EOG only at eligible institutions “which have the capacity to accommodate such students within existing educational programs and facilities.” (RCW 28B.101.010.)

Discussion. Institutional capacity is a function of physical space and scheduling. The “existing capacity” criterion of the enabling legislation for the EOG program was based on the presumption that the state would realize cost savings if students would attend established institutions that had physical space and could accommodate them in existing programs (rather than requiring space/programs at one of the new branch campuses).

The EOG program was proposed when public institutions were subject to enrollment lids and when each was assigned a geographic service area. With elimination of both enrollment lids and service areas, “existing capacity” has become a meaningless term.

Recommendation. References to attendance at institutions with existing unused capacity should be eliminated.

Branch Campuses. As previously noted, the EOG program was adopted as one of three strategies to increase upper division and graduate enrollment. The other strategies were to lift enrollment lids at the public baccalaureate institutions, and to establish branch campuses to serve upper division and graduate students living in the state’s urban areas.

The enabling legislation for the EOG program specified that the grants could not be used at branch campuses for two reasons: (1) To encourage students to attend existing institutions, thereby reducing construction and operating costs of the new branch campuses, and (2) To mitigate concerns of the independent colleges in areas to be served by branch campuses that the new branch campuses would negatively impact their enrollments. Now that the branches have been in existence for several years, some question whether the restriction should be eliminated.

Discussion. Compelling arguments are made for continuing to limit EOG eligibility to non-branch campuses, as well as for permitting recipients to use their grants to attend a branch campus.

Proponents of the current program argue that it is much more cost effective for the state to provide a \$2,500 EOG for a student to attend an independent college or university, than it is for the EOG recipient to attend a public institution, where it costs the state considerably more to provide instructional support. It is their position that it would cost the state even more money if EOG recipients attended branch campuses, since operating costs are higher at the branch campuses than at other state institutions, and since, in some locations, the increased enrollment pressures created by the added enrollments could result in the demand for additional capital construction.

Proponents who support allowing EOG recipients to use their grants at the branch campuses argue that, since the branch campuses have been built, it makes sense to maximize available space. They assert that the branch campuses are on a capital project schedule that does not respond quickly to increased demand, and that the EOG program would have little or no impact on further capital development. They believe that EOG recipients should be allowed to choose the program and institution that best responds to their educational goals, and that that choice should include programs offered by the branch campuses.

Also at issue is an inconsistency which, while prohibiting EOGs to be used at branch campuses, permits their use at other extension centers and educational sites of public baccalaureate institutions. Students may not, for example, use their EOG to attend UW's Tacoma branch campus, but they may enroll in TESC's Tacoma site, or at CWU's SeaTac Center. Such is the case because language in the EOG statute is specifically linked to legislation establishing the branch campuses.

The program's relatively small size appears to have marginalized its effects on branch campus development. And, as capital and operating costs at the branch campuses have decreased over earlier years, it is difficult to make a strong case that it would cost the state substantially more to provide baccalaureate instruction at a branch campus than at another state-supported college or university.

Recommendation. Based on the HECB's commitment to provide all students, including financial aid recipients, with the ability to select the program and eligible institution that best responds to their educational goals, and given the fact that branch campuses have been built and provide instruction for upper division students, placebound students should be able to use their EOG to attend a branch campus.

Issue 4: Grant amounts. Legislation creating the EOG program specifies that the grant amount will be “up to two thousand five hundred dollars per academic year, not to exceed the student’s demonstrated financial need for the course of study.” (RCW 28B.101.040.)

Discussion. The original grant amount has not been updated since the program was established 10 years ago. When the grant amount was set, \$2,500, together with other grants the EOG recipient was presumed eligible to receive, represented about one-half the amount of tuition at independent colleges and universities. Grants of this size were reported by researchers as having a positive impact on student retention.

The grant amount was set in statute with no mechanism in place for updating to reflect increases in college costs, availability of other grant assistance, or other factors that would indicate the need for adjustment.

Recommendation. Authority to establish grant amounts should be vested with the Higher Education Coordinating Board. Grant amounts should be set by the Board, taking into account such factors as the costs of attendance and the availability of other grant assistance.

CONCLUSION

This review reaffirms the role of the Educational Opportunity Grant program as an integral part in the state’s overall strategy to improve the baccalaureate degree completion rate of the state’s citizens. By providing a supplemental grant to students who are placebound by family, financial, health, or employment considerations, the program enables recipients to enroll in a four-year college or university that they could not otherwise afford to attend.

The program appears to be responsive to its statutory goal of increasing the participation and completion of baccalaureate programs by placebound students. Recipients are much more likely to enroll than other students with similar characteristics who do not receive an EOG. Once enrolled, EOG recipients tend to complete as many, or more, credits than other upper division, aided students, even though they face many barriers to participation.

The program does not replicate other existing financial aid programs. Its focus on serving upper division, placebound students, as well as its use in replacing loans or in meeting financial needs not addressed by other financial aid programs, make it unique.

The status of the EOG program should be changed from a demonstration project to a permanent part of the state’s complement of financial aid programs for needy students.

APPENDICES

Appendix A: Summary of Issues and HECB Policy Committee Draft Recommendations

Appendix B: Chapter 28B.101 RCW

Appendix C: Educational Opportunity Grant: Summary of Year-End Data, 1990-91 – 1999-00

Appendix D: Map of EOG-Eligible Counties

EDUCATION OPPORTUNITY GRANT STUDY
SUMMARY OF ISSUES AND HECB POLICY COMMITTEE DRAFT RECOMMENDATIONS

CURRENT PROGRAM	HECB RECOMMENDATION	CHANGE REQUIRED
Student Eligibility		
A student must be a state resident.	No change recommended.	N/A
A student must reside in a county served by a branch campus.	The HECB finds no justification for limiting program participation to persons residing in certain counties and therefore recommends that county of residence requirements be eliminated.	Statutory change
A student must be “placebound.” Placebound is defined as unable to relocate to complete a college program because of family or employment commitments, health concerns, monetary inability or other similar factors.	The HECB recommends that the program continue to serve students who are placebound by virtue of their personal and family circumstances. However, the program should be extended to include placebound students from all counties.	Statutory change
A student must have financial need.	No change recommended.	N/A
A student must attend full time.	The program should continue to encourage full-time attendance, but retain flexibility to assist recipients who find it necessary to temporarily reduce their courseload, so long as the student is otherwise eligible for the grant.	N/A
A student must have completed an Associate of Arts Degree or its equivalent. Currently “or its equivalent” is defined as being at junior level class standing as determined by the baccalaureate institution.	The Board intends to expand the definition of “or its equivalent” to include other direct transfer degrees, such as the Associate of Science Degree. The Board further intends to permit EOG recipients to receive the grant upon transfer into a baccalaureate institution, with continuing eligibility contingent upon having attained junior status by the end of the first term of award.	Board action
A student may not be involved in a program that includes religious worship, exercise, or instruction or the pursuit of any degree in religious, seminarian, or theological academic studies.	No change recommended.	N/A
A student must maintain satisfactory progress as determined by policy of the institution in which they are enrolled.	No change recommended.	N/A

CURRENT PROGRAM	HECB RECOMMENDATION	CHANGE REQUIRED
Initial Eligibility and Renewability		
<p>Grants are generally available for two years, but may be extended to a third year for students in longer programs. On a funds-available basis, students may receive grants for summer enrollment. Typically, grants are awarded for study beginning fall term.</p>	<p>The Board intends to implement administrative procedures to allow grant periods to begin during any academic term upon the student's transfer to an eligible institution. Students may be awarded grants for up to eight quarters (or equivalent) of study. Renewability will not be forfeited if a student stops out for a single term during the academic year. However, students who fail to attend for more than one regular academic term during the period of their award will be required to reapply for the grant. If they are reawarded, previous terms of enrollment during which they received an EOG will count toward their total eligibility.</p>	<p>Board action</p>
Institutional Eligibility		
<p>Participating institution must confer baccalaureate degrees.</p>	<p>No change recommended.</p>	<p>N/A</p>
<p>Participating institution must be accredited by the Northwest Association of Schools and Colleges</p>	<p>If legislation is adopted to amend institutional eligibility for the State Need Grant program, the Board intends to expand recognition of accredited institutions for the EOG program, as well. Subject to such legislative action, the Board will amend EOG rules to include an institution, branch, extension, or facility operating within the state of Washington, which is affiliated with a regionally accredited nonprofit institution in another state which:</p> <ul style="list-style-type: none"> ◆ Has delivered on-site classroom instruction within the state of Washington for a minimum specified period of time; ◆ Is fully certified, and participates in federal student financial aid programs; ◆ Is eligible, and participates in the Washington State Need Grant program; and, ◆ Provides necessary assurances of administrative capability. 	<p>Statutory change may be desirable; Requires Rule Revision</p>

CURRENT PROGRAM	HECB RECOMMENDATION	CHANGE REQUIRED
Institutional Eligibility (cont.)		
Branch campuses or educational programs established under chapter 28B.45 RCW are not eligible for participation.	<p>The Board recommends that eligibility be extended to recipients who wish to enroll at a branch campus. The Board recognizes that exclusion of the branch campuses was an integral element of the program’s initial purpose. The grant was intended to affect student behavior by creating an incentive for students living in counties served by the branch campuses to select other institutions in their geographic area. It was felt that by decreasing demand on the branch campuses the state could reduce both the operating and capital budget impact of developing the branch campuses. Because of its small size, the program has been unable to clearly demonstrate such savings.</p> <p>Further, the HECB’s 2000 Master Plan calls for higher education to “place learners at the center of decision making.” Based on the Board’s commitment to provide all students, including financial aid recipients, with the ability to select the program and eligible institution that best responds to their educational goals, and given the fact that branch campuses have been built and provide instruction for upper division students, EOG recipients should be able to use their grants to attend a branch campus, if that is their choice.</p>	Statutory change
Participating institution must have unused capacity.	The HECB recommends that the concept of unused institutional capacity be eliminated from the EOG program. At the time the program was designed, the state’s public institutions were subject to enrollment lids. Removal of the enrollment lids and the ability of public institutions to manage their own decisions regarding over-enrollment make the concept of unused capacity irrelevant in today’s higher education environment.	Statutory change
Institutions must enter into an agreement to participate with the HECB.	No change recommended.	N/A

CURRENT PROGRAM	HECB RECOMMENDATION	CHANGE REQUIRED
Award Amount		
Grant amount is \$2,500 per academic year.	The Board recommends that reference to a specific grant amount in the statute be replaced with language authorizing the Board to set grant amounts, taking into account such factors as the costs of attendance and the availability of other grant assistance.	Statutory change
Other		
The Educational Opportunity Grant program is defined in statute as a demonstration project.	The HECB recommends that the language referencing “demonstration project” be removed from the statute. The program has been existence for ten years and has demonstrated its ability to increase persistence rates among grant recipients. Therefore, the Board supports continuation of the EOG as an on-going program which complements the state’s other financial aid programs.	Statutory change

HECB
10/10/00

Chapter 28B.101 RCW Educational Opportunity Grant Program Placebound Students

Sections

28B.101.005	Finding - Intent
28B.101.010	Program Created
28B.101.020	Definition - Eligibility
28B.101.030	Administration of Program - Payments to Participants
28B.101.040	Use of Grants

RCW 28B.101.005 Finding - Intent

The legislature finds that many individuals in the state of Washington have attended college and received an associate of arts degree, or its equivalent, but are placebound.

The legislature intends to establish an educational opportunity grant program for placebound students who have completed an associate of arts degree, or its equivalent, in an effort to increase their participation in and completion of upper-division programs. [1990 c 288 § 2.]

RCW 28B.101.010 Program Created

The educational opportunity grant program is hereby created as a demonstration project to serve placebound financially needy students by assisting them to obtain a baccalaureate degree at public and private institutions of higher education which have the capacity to accommodate such students within existing educational programs and facilities. [1990 c 288 § 3.]

RCW 28B.101.020 Definition - Eligibility

- (1) For the purposes of this chapter, "placebound" means unable to relocate to complete a college program because of family or employment commitments, health concerns, monetary inability, or other similar factors.
- (2) To be eligible for an educational opportunity grant, applicants must be placebound residents of the state of Washington who are needy students as defined in RCW 28B.10.802(3) and who have completed the associate of arts degree or its equivalent. A placebound resident is one who may be influenced by the receipt of an enhanced student financial aid award to attend an institution that has existing unused capacity rather than attend a branch campus established pursuant to chapter 28B.45 RCW. An eligible placebound applicant is further defined as a person whose residence is located in an area served by a branch campus who, because of family or employment commitments, health concerns, monetary need, or other similar factors, would be unable to complete an upper-division course of study but for receipt of an educational opportunity grant. [1990 c 288 § 4.]

RCW 28B.101.030 Administration of Program - Payments to Participants

The higher education coordinating board shall develop and administer the educational opportunity grant program. The board shall adopt necessary rules and guidelines and develop criteria and procedures to select eligible participants in the program. Payment shall be made directly to the eligible participant periodically upon verification of enrollment and satisfactory progress towards degree completion. [1990 c 288 § 5.]

RCW 28B.101.040 Use of Grants

Grants may be used by eligible participants to attend any public or private college or university in the state of Washington that is accredited by an accrediting association recognized by rule of the higher education coordinating board and that has an existing unused capacity. Grants shall not be used to attend any branch campus or educational program established under chapter 28B.45 RCW. The participant shall not be eligible for a grant if it will be used for any programs that include religious worship, exercise, or instruction or to pursue a degree in theology. Each participating student may receive up to two thousand five hundred dollars per academic year, not to exceed the student's demonstrated financial need for the course of study. Resident students as defined in RCW 28B.15.012(2)(e) are not eligible for grants under this chapter. [1993 sp.s. c 18 § 35; 1993 c 385 § 2; 1990 c 288 § 6.]

NOTES:

Reviser's note: This section was amended by 1993 c 385 § 2 and by 1993 sp.s. c 18 § 35, each without reference to the other. Both amendments are incorporated in the publication of this section pursuant to RCW 1.12.025(2). For rule of construction, see RCW 1.12.025(1).

Effective date--1993 sp.s. c 18: See note following RCW 28B.10.265.

**EDUCATIONAL OPPORTUNITY GRANT:
SUMMARY OF YEAR-END DATA***

	1990-91		1991-92		1992-93		1993-94		1994-95	
Public	Awards #	Expend. \$	Awards #	Expend. \$	Awards #	Expend. \$	Awards #	Expend. \$	Awards #	Expend. \$
UW			6	15,000	15	35,384	13	30,834	8	20,835
WSU			2	2,500	13	30,870	11	26,250		
CWU	4	9,167	21	46,840	27	58,255	15	35,834	10	24,167
EWU	20	43,752	42	92,659	48	113,510	26	61,535	28	69,170
TESC	7	13,966	15	28,645	8	17,793	1	2,500		
WWU	1	2,500	1	2,500	3	7,500	8	18,334	6	15,000
Total Public	32	69,385	87	188,144	114	263,312	74	175,287	52	129,172
Private										
Bastyr	2	3,334	5	12,500	7	15,522	2	5,000	1	2,500
Cornish										
Gonzaga	16	38,750	23	52,500	32	77,500	29	66,732	20	48,334
Heritage	11	26,250	12	28,750	29	67,500	17	40,000	9	28,750
NW College	1	2,500	1	2,500			1	2,500		
PLU	65	133,750	100	228,750	82	179,538	41	96,250	42	108,750
St Martins	7	12,500	12	20,000	5	12,500	1	2,500	2	5,000
SPU	15	38,334	32	65,598	33	75,638	19	44,168	8	18,336
SU	15	29,903	68	144,170	87	195,766	42	98,336	21	50,836
UPS	30	70,000	48	115,000	36	83,750	23	53,750	7	20,000
Walla Walla	5	10,834	6	10,000	2	5,000	1	2,500		
Whitman	1	2,500	5	12,500	9	22,500	7	17,500	2	5,000
Whitworth	9	21,250	17	42,500	13	32,500	7	17,500	3	8,750
City Univ.					1	1,667				
Total Private	177	389,905	329	734,768	336	769,381	190	446,736	115	296,256
Combined Total	209	\$459,290	416	\$922,912	450	\$1,032,693	264	\$622,023	167	\$425,428

* Expenditures include federal SSIG supplement and supplemental summer awards.

**EDUCATIONAL OPPORTUNITY GRANT:
SUMMARY OF YEAR-END DATA***

	1995-96		1996-97		1997-98		1998-99		1999-00	
Public	Awards #	Expend. \$	Awards #	Expend. \$	Awards #	Expend. \$	Awards #	Expend. \$	Awards #	Expend. \$
UW	10	23,334	23	50,000	44	115,007	81	201,681	87	213,996
WSU	4	8,750	24	70,000	77	207,008	87	234,151	117	308,319
CWU	12	27,502	67	159,705	150	423,560	203	463,054	171	454,395
EWU	36	87,501	61	151,249	109	275,328	160	402,505	165	434,350
TESC	2	3,230	4	10,834	12	34,170	48	120,844	53	114,810
WWU	4	9,167	3	10,000	8	19,437	23	68,342	33	89,163
Total Public	68	159,484	182	451,788	400	1,074,510	554	1,490,577	626	1,615,033
Private										
Bastyr	1	2,500	4	10,000	15	42,505	19	50,838	18	50,831
Cornish					1	2,500	1	2,500	1	2,500
Gonzaga	26	63,750	38	93,750	48	130,825	49	141,250	52	135,000
Heritage	11	22,500	22	56,666	44	118,750	37	107,892	23	71,250
NW College										
PLU	57	136,250	55	121,250	88	225,414	99	262,284	99	253,750
St Martins			10	23,750	47	123,750	59	163,750	44	113,635
SPU	21	49,166	35	85,834	36	83,780	34	86,669	38	95,663
SU	23	53,334	39	94,166	89	226,675	94	221,598	52	128,332
UPS	8	17,500	23	50,000	32	82,500	29	70,496	22	53,750
Walla Walla										
Whitman	2	3,750	1	2,500	3	6,250	3	6,250	1	1,250
Whitworth	3	7,500	9	20,000	26	76,250	23	58,750	9	22,500
City Univ.										
Total Private	152	356,250	236	557,916	429	1,119,199	452	1,172,277	361	928,461
Combined Total	220	\$515,734	418	\$1,009,704	829	\$2,193,709	1006	\$2,662,854	987	\$2,543,494

* Expenditures include federal SSIG supplement and supplemental summer awards.

RESOLUTION NO. 00-55

WHEREAS, The Legislature established the Educational Opportunity Grant (EOG) program in 1990 to address the need for greater access to baccalaureate education for placebound residents of counties served by branch campuses; and

WHEREAS, The Legislature vested in the Higher Education Coordinating Board (HECB) the responsibility to adopt policies and administer the EOG program within the framework established by statutes; and

WHEREAS, The HECB periodically reviews policies and administrative procedures for the state-funded financial aid programs for which it has statutory responsibility; and

WHEREAS, The HECB has completed a study of the EOG program's effectiveness in achieving the goals of the enabling legislation and has considered whether modifications should be proposed, given changes that have occurred in higher education delivery since 1990, when the program was established; and

WHEREAS, The HECB's review has reaffirmed that the EOG program is responsive to its statutory goal of increasing the participation and completion of upper division programs by citizens who face barriers to degree completion by virtue of family, financial, health, or employment considerations; and

WHEREAS, The HECB's review has further confirmed that the program with its focus on either reducing loans or meeting otherwise unmet financial needs of upper division, placebound students complements other student financial aid programs; and

WHEREAS, The HECB has determined that the following modifications would enable the EOG program to better meet the needs of placebound residents who face multiple barriers to baccalaureate education;

THEREFORE, BE IT RESOLVED, That the HECB adopts the report and following recommendations for program modifications:

1. **County of Residence.** Eligibility should be expanded to residents of all counties.
2. **Branch Campuses.** Eligibility should be extended to students who wish to enroll at state-supported branch campuses, enabling recipients to select the program and eligible institution that best responds to their educational goals.
3. **Institutional Participation.** Institutional eligibility should be extended to branch campuses, extension sites, and educational facilities that operate within the state of Washington, that are affiliated with regionally accredited nonprofit institutions in another state, and meet the following criteria:
 - Have delivered on-site classroom instruction within the state of Washington for a minimum specified period of time;
 - Are fully certified and participate in federal student financial aid programs;
 - Are eligible for and participate in the Washington State Need Grant program; and,
 - Provide necessary assurances of administrative capability.

4. **Grant Amounts.** Grant amounts should be established by rule of the Board, rather than in statute, so that they may be periodically adjusted, as necessary, to reflect such factors as changes in the costs of attendance and the availability of other grant assistance.
5. **Period of Award.** Administrative procedures should be modified to permit grant periods to begin during any academic term upon the student's transfer to an eligible institution, with continuing eligibility contingent upon attainment of junior status by the end of the first term of award, with a maximum award period of eight quarters (or equivalent).
6. **Transfer Degrees.** The enabling legislation should be amended to include reference to the Associate of Science degree as an appropriate transfer degree for purposes of establishing eligibility for the EOG.
7. **"Unused Institutional Capacity."** The concept of "unused institutional capacity" is no longer relevant, and its reference should be eliminated.
8. **Program Status.** Reference to the EOG program as a demonstration project should be deleted, and the program should be continued as an ongoing program that complements the state's other financial aid programs.

AND BE IT FURTHER RESOLVED, That the Board directs staff to forward the report and recommendations to the chairs of the Senate and House Higher Education Committees and other interested legislators for their consideration, and to begin the public rulemaking process to modify program regulations at the appropriate time.

Adopted:

December 6, 2000

Attest:

Bob Craves, Chair

Kristi Blake, Secretary

BACHELOR OF SCIENCE IN NURSING DISTANCE LEARNING PROGRAM
Washington State University

December 2000

EXECUTIVE SUMMARY

INTRODUCTION

Washington State University proposes to offer a Bachelor of Science in Nursing (BSN) distance learning (asynchronous) program. The original program plan, “pre-approved” by the Board in March 2000, was for a multi-site program in several locations around the state. Since then, two developments have occurred:

1. Using a HECB Innovation Grant, this proposed program has moved more completely online and away from a site-based model; and
2. The WSU College of Nursing has signed an agreement with the UW College of Nursing on ways to avoid unnecessary duplication in the delivery of both site-based (synchronous) and non-site based (asynchronous) nursing programs across the state.

PROGRAM NEED

Washington State is facing a severe nursing shortage in rural and urban communities around the state. The most critical aspect of this shortage is the need for nurses with baccalaureate and higher degrees. Many advertisements for registered nurses are promising large hiring bonuses. According to the U.S. Bureau of Labor Statistics, by 2006, job growth among registered nurses is expected to grow up to 21 percent.

The Council on Nursing Education in Washington State (CNEWS) has been working on a formal articulation plan to facilitate the movement of associate degree and diploma RNs into BSN programs. However, geographic accessibility is the major barrier to providing further education to students. The proposed distance learning program should help rectify this situation, as it will be available to learners in their own homes or work sites using asynchronous technology.

It is anticipated that students for the program will be drawn from associate degree and diploma prepared nurses. Student demand for the asynchronous program is expected to be significant as the program becomes fully on line and demonstrates high quality, and recruitment and advising efforts intensify.

PROGRAM DESCRIPTION

The 33-semester credit program includes theory classes and clinical practicum experiences. Ten theory courses are being re-engineered to a Web-based format. The clinical components of the program will involve using nurse preceptors in the local communities with WSU faculty oversight and supervision. It is expected that the program will serve 40FTE students. Full-time students would be able to complete the program in one year.

Many existing faculty will support the program. The program will need to hire an additional instructional/graphic designer and a part-time program assistant and purchase computer equipment and library resources.

ASSESSMENT AND DIVERSITY

The proposal presents program goals and expected student learning outcomes, and the methodologies that would be used to assess program vitality and student learning. The proposed methods include:

1. Administering and analyzing a student satisfaction survey relative to the teaching strategies;
2. Tabulating specific course evaluations and selected competency-based student outcome measures;
3. Tracking graduation rates, time to program completion, and numbers of Native American and Hispanic students; and
4. Surveying employers in selected rural communities to assess the impact of the program on employment patterns, patient care, and the nursing shortage in their geographical areas.

The proposal states that, “intensive efforts will continue to recruit and retain persons of color...Many scholarships and student services are in place that support student access and success.”

REVIEW PARTICIPANTS

In keeping with the *HECB Guidelines*, the proposal was shared with the other public baccalaureate institutions. To date, no comments have been received from them. Several letters of support from community colleges and hospitals were included in the proposal.

PROGRAM COSTS

The HECB grant (Fund for Innovation and Quality in Higher Education Initiative) is the primary source of new funding for years one and two of the program, although other grant funds are being sought. In future years, it is expected that tuition and state funding will cover the program costs. The cost per FTE student, based on an annual enrollment of 40 FTE, is about \$5,300.

STAFF ANALYSIS

This distance learning BSN program would respond to: 1) student interest and demand; 2) changes in the health care environment and the profession for nurses with advanced education, leadership and critical thinking skills; and 3) an acute and growing shortage of nurses across the state and the country.

RECOMMENDATION

The Washington State University proposal to establish a Bachelor of Science in Nursing distance learning program is recommended for approval, effective December 6, 2000.

RESOLUTION NO. 00-56

WHEREAS, Washington State University has requested approval to offer a Bachelor of Science in Nursing distance learning program; and

WHEREAS, The program will be attractive to students and the health care industry; and

WHEREAS, The program will help address the critical shortage of baccalaureate-level nurses; and

WHEREAS, The program will reach qualified students in rural communities across the state; and

WHEREAS, The program of study, resources, and assessment and diversity plans are suitable for a program of this nature;

THEREFORE, BE IT RESOLVED, That the Higher Education Coordinating Board approves the Washington State University request to offer a Bachelor of Science in Nursing distance learning program, effective December 6, 2000.

Adopted:

December 6, 2000

Attest:

Bob Craves, Chair

Kristi Blake, Secretary

BACHELOR OF SCIENCE IN NURSING ON THE OLYMPIC PENINSULA
University of Washington Bothell

December 2000

EXECUTIVE SUMMARY

INTRODUCTION

The University of Washington Bothell is seeking Higher Education Coordinating Board approval for a Bachelor of Science in Nursing (BSN) synchronous degree program offered on the Olympic Peninsula. The program received HECB “pre-approval” in March 2000, and courses were initiated in Summer 2000. As stated in the proposal, “classes are videotaped at UW Bothell and faculty take them to Port Angeles on Saturdays. Students view these videotapes and then faculty direct in-class instruction, learning activities, and discussions.”

PROGRAM NEED

Olympic Peninsula professionals approached the University of Washington requesting advanced nursing degree opportunities. Peninsula College offers associate degrees leading to licensure, but baccalaureate and graduate-level nursing degrees are not available on the Peninsula. A December 1999 study, conducted by the University of Washington and Washington State University Schools of Nursing and Intercollegiate Center for Nursing Education, identified a statewide shortage of nurses to fill available nursing positions. University of Washington administrators held a series of information sessions in the area and found a demonstrated need for the program since a four-hour commute to the UW Bothell campus would be prohibitive for working nurses.

PROGRAM DESCRIPTION

The BSN program emphasizes written and oral communications, cultural sensitivity, clinical decision-making, and safe and competent practice, research and accountability. Courses are offered via videotape, with interaction opportunities in classrooms, online and through two-way interactive video. The program also requires some clinical practice.

A minimum of 36 core credits and 10 elective credits are required to achieve the BSN degree. The courses could be completed through full-time study in six quarters, although it is anticipated that most students will study part-time and complete the program in eight quarters. At full enrollment, the program will serve 25 students per year on a part-time basis, equivalent to 10 FTE.

ASSESSMENT AND DIVERSITY

The program proposal outlines expected student learning outcomes and a specific assessment plan that uses student evaluations, graduate surveys and portfolio assessment. Students complete portfolios of their academic work and present essays, which highlight their program and clinical practice accomplishments.

The program will actively recruit minority students. None of the students currently enrolled in the program claim minority status.

REVIEW PARTICIPANTS

The UW and WSU School/College of Nursing administrators submitted a statement of collaboration, agreeing to avoid unnecessary duplication in the delivery of nursing programs across the state. Synchronous programs will be delivered by WSU on the eastern side of the state and by the UW in Western Washington north of the Vancouver area. Statewide planning will formally occur twice a year.

The UW Bothell nursing program was favorably reviewed by the Commission on Collegiate Nursing (CCNE), the nationally recognized accrediting body for nursing education. The proposal to extend this program to the Olympic Peninsula was also shared with the other public baccalaureate institutions. No comments have been received from them.

PROGRAM COSTS

The UWB BSN program on the Olympic Peninsula is funded through a combination of tuition revenue and internal reallocation. UWB is committed to supporting the program through continuing reallocation of funds. The cost per FTE student is estimated to be \$16,963. This is high due to the non-recurring start-up costs and minimal enrollments.

STAFF ANALYSIS

This program is designed to alleviate critical nursing shortages on the Olympic Peninsula. It uses compressed direct in-class instruction and distance learning technologies to leverage existing program resources in order to serve rural community needs.

RECOMMENDATION

The University of Washington Bothell proposal to establish a Bachelor of Science in Nursing synchronous degree program on the Olympic Peninsula is recommended for approval, effective December 6, 2000.

RESOLUTION NO. 00-57

WHEREAS, The University of Washington Bothell proposes to establish a Bachelor of Science in Nursing synchronous degree program on the Olympic Peninsula; and

WHEREAS, The program addresses a critical need for nurses with advanced training, and

WHEREAS, The program has a well-developed curriculum and assessment plan; and

WHEREAS, The program makes appropriate use of distance learning technologies and community resources, and

WHEREAS, The University of Washington Bothell is committed to the ongoing subsidy of this program as a commitment to serving community needs

THEREFORE BE IT RESOLVED, That the Higher Education Coordinating Board approves the University of Washington Bothell request to establish a Bachelor of Science in Nursing synchronous degree program on the Olympic Peninsula, effective December 6, 2000.

Adopted:

December 6, 2000

Attest:

Bob Craves, Chairman

Kristi Blake, Secretary

**BACHELOR OF SCIENCE IN COMPUTING AND SOFTWARE SYSTEMS
DISTANCE LEARNING PROGRAM
University of Washington Bothell**

December 2000

EXECUTIVE SUMMARY

INTRODUCTION

The University of Washington Bothell (UWB) proposes to offer a Bachelor of Science in Computing and Software Systems through distance learning. The program would allow graduates to earn a baccalaureate degree and a series of certificates in computer-related areas.

PROGRAM NEED

Because of the high demand for information technology professionals, the program was exempted from the HECB program planning process. The U.S. Department of Labor, Washington Software Alliance, and Regional Advanced Technology Education Consortium report a severe shortage of information technology workers, including a vacancy rate of about 19 percent. Washington employers have to recruit nationally and internationally, at a cost of \$14,000 to fill each position. The workforce shortage is projected to result in approximately \$13 billion in lost revenues to the industry and the state's economy.

PROGRAM DESCRIPTION

Initially, the program would be offered on a pilot basis in partnership with Edmonds, Pierce, and Bellevue community colleges. Industry leaders and associations also would be involved in shaping the program. Courses would be offered in several delivery formats:

- Onsite classroom instruction in the Seattle-Everett region in evening, weekend, or intensive summer formats;
- Via web-based asynchronous distance learning; and
- Self-directed Web-based and CD-ROM tutorials.

According to the proposal, "nine certificate programs in high demand computer related areas will be developed. These programs will train working professionals to meet the technical and business requirements of expanding technology fields. Following a module approach, the nine certificate programs, each a series of linked sequences, will constitute the requirements for a computer science major at the University of Washington, Bothell. The courses will articulate with and build upon the 90 credits students will have previously completed at the undergraduate or community college level."

The program would accommodate 400 FTE initially and reach 1,040 FTE at full capacity. Full-time students would be able to complete the degree in two years.

The program would be supported primarily by existing resources. Faculty from the university and three participating community colleges would be paid \$6,000 per course offered to a maximum of 40 students. The budget includes funds for CD-Rom production, extensive marketing, and articulation with the community colleges.

ASSESSMENT AND DIVERSITY

The program would be widely marketed in Snohomish, King, and Pierce counties and would likely attract a diverse student population.

In its pilot phase, the program would be evaluated by an independent evaluator, Dr. Paul Sommers, an economist and Senior Research Fellow at the Institute for Public Policy and Management at the Evans School of Public Affairs. The proposal also reports, "One of the innovative tools the University has developed and will be evaluating as part of this program is a database of student outcomes correlated with input factors such as nature and duration of previous technical experience, and previous coursework, by course number and offering institution. Together with the skill standards that are in place at the region's community colleges, this program will, for the first time ever, provide students and employers with assurance that articulated program sequences across institutions constitute the skill-based building blocks needed by today's labor market."

REVIEW PARTICIPANTS

The proposal was shared with the other public baccalaureate institutions. No comments were received from them.

PROGRAM COSTS

Initially, the BS in Computing and Software Systems distance learning program would be supported by a two-year grant from the U.S. Department of Labor and state and local matching funds. Thereafter, it would be funded on a self-sustaining basis. The cost per FTE student would be approximately \$3,000.

STAFF ANALYSIS

UWB's proposed Bachelor of Science in Computing and Software Systems distance learning program has the potential to be an exemplary program in the region, and ultimately across the nation. The program would be highly attractive to students and employers and would address, in part, the employment needs of the high technology industry. It is an innovative program that will help boost the state's economy.

RECOMMENDATION

The University of Washington Bothell proposal to establish a Bachelor of Science in Computing and Software Systems distance learning program is recommended for approval, effective December 2000.

RESOLUTION NO. 00-58

WHEREAS, The University of Washington Bothell has requested approval to establish a Bachelor of Science in Computing and Software Systems distance learning program; and

WHEREAS, The program is highly attractive to students and the high technology industry; and

WHEREAS, The program of study and assessment plans are exemplary; and

WHEREAS, The program is designed and delivered in partnership with community colleges and industry leaders; and

WHEREAS, Program costs are reasonable;

THEREFORE, BE IT RESOLVED, That the Higher Education Coordinating Board approves the University of Washington Bothell proposal to establish a Bachelor of Science in Computing and Software Systems distance learning program, effective December 2000.

Adopted:

December 6, 2000

Attest:

Bob Craves, Chair

Kristi Blake, Secretary

**BACHELOR OF SCIENCE
IN HEALTH INFORMATION ADMINISTRATION
University of Washington**

December 2000

EXECUTIVE SUMMARY

INTRODUCTION

The University of Washington proposes to offer a Bachelor of Science in Health Information Administration program that would be self-sustaining and offered in the evenings. The baccalaureate program is required to earn the national credential as a Registered Health Information Administrator; yet, no institution offers it in the Northwest.

PROGRAM NEED

In March 2000, the Higher Education Coordinating Board granted “pre-approval” status to the program. It would support the UW mission to develop students who master essential methods of inquiry, develop mature and independent judgment, have a capacity for critical thinking and self-expression, and exhibit a sense of values. Health information professionals will contribute to improved health care through quality health information systems.

The need for the program was determined through a careful review of the technological and economic changes in the health care system. Specifically,

- There is a growing demand for the critical information required to manage health care resources wisely.
- Health care providers are becoming more and more dependent on digital data systems that link administrative, clinical, and financial data.
- According to the U.S. Bureau of Labor Statistics, medical record technicians are among the top seven occupations projected to grow much faster than the average for all occupations through 2005. Letters of support from local employers indicate that health information management is one of the most popular careers for the future.

PROGRAM DESCRIPTION

The program combines coursework with community-based internships and projects and emphasizes teamwork in the workplace. The program of study has been developed to meet the accreditation standards established by The American Health Information Management Association. Students would need to complete 180 quarter credits to graduate, including 75 transfer quarter credits in requisite courses, 57 in the major, and 63 in required electives. Technology will be a basic theme of the curriculum, ranging from assignments and field projects to the capstone experience.

The program is designed to accommodate 26 FTE students. It is anticipated that these students would be drawn from community college graduates who have completed either the Associate of

Arts transfer degree or the Associate of Applied Science Health Information Technician program. They would be able to complete the evening degree program in two to three years.

For the most part, the program would be supported by existing resources. New resources would include a part-time faculty coordinator and minimal library purchases.

ASSESSMENT AND DIVERSITY

As illustrated below, diversity and assessment are addressed in the proposal.

- “The program will work with the School of Public Health and Community Medicine coordinator for recruitment and retention of students of color and those with disabilities.”
- “A comprehensive evaluation plan has been developed to assist the program in a continuous quality improvement program.”
- “Expected student learning outcomes will be verified by 90-100% pass rate on the national accreditation examination for Registered Health Information Administrators within 2 years of program completion; and 100% employment in health information positions for graduates who work in the field.”

REVIEW PARTICIPANTS

The proposal was reviewed by two external reviewers: Dr. Laurinda B. Harman, Associate Professor and Chair, Department of Health Information Management at Temple University, and Dr. Joan T. Rines, a member of the Panel of Accreditation Surveyors of the American Health Information Management Association, Council on Accreditation. Dr. Harman stated, “I believe that the program is current state-of-the-art, needed, and will prepare students to be leaders in the health care administration industry for the 21st century.” Similarly, Dr. Rines stated, “The faculty expertise, curriculum, educational resources and student population will all serve to bring a program of excellence for your university and the HIM profession.” Central, Eastern, and Washington State universities also shared their support for the program.

PROGRAM COSTS

The Bachelor of Science in Health Information Administration will be supported on a self-sustaining basis. Annual program costs at full enrollment are about \$13,000 per student FTE. Tuition for the program is about \$28,000 for a student taking the entire program at UW and about \$17,000 for a community college transfer student taking the upper-division program there.

STAFF ANALYSIS

The proposed program will be the only one of its kind in the Northwest and has the potential to make significant contributions to the health care industry. The faculty and program of study will offer students an excellent preparation program for a variety of careers. The program costs are reasonable and will be supported on a self-sustaining basis through tuition revenue.

RECOMMENDATION

The University of Washington proposal to establish a Bachelor of Science in Health Information Administration is recommended for approval, effective December 2000.

RESOLUTION NO. 00-59

WHEREAS, The University of Washington has requested approval to establish a Bachelor of Science in Health Information Administration; and

WHEREAS, The program has the potential to contribute significantly to the health care industry; and

WHEREAS, The program of study will offer students an excellent preparation program for a variety of careers; and

WHEREAS, The program will be offered on a self-sustaining basis and will make efficient use of institutional resources;

THEREFORE, BE IT RESOLVED, That the Higher Education Coordinating Board approves the University of Washington proposal to establish a Bachelor of Science in Health Information Administration, effective December 2000.

Adopted:

December 6, 2000

Attest:

Bob Craves, Chair

Kristi Blake, Secretary

MASTER OF SOCIAL WORK DISTANCE LEARNING PROGRAM
University of Washington

December 2000

EXECUTIVE SUMMARY

INTRODUCTION

The University of Washington School of Social Work is seeking approval for its Master's of Social Work distance learning program on the Olympic Peninsula. The program was piloted beginning in Fall 1998. Through an apparent misunderstanding, the UW did not seek HECB approval at that time. The program did, however, seek approval from its professional accrediting association, The Council on Social Work Education.

PROGRAM NEED

The program was developed to address the need for social workers on the Olympic Peninsula. In these rural areas, high rates of poverty and the loss of resource-based jobs have increased stresses on families and communities. This, in turn, has created a need for trained social workers who can address such issues as domestic violence, suicide, drug, alcohol and child abuse.

Development of this program was triggered by requests from Native American tribal representatives. Follow-up market surveys and pilot courses demonstrated community interest and need from students who work in a diverse range of health, social service and educational settings in the geographic area. Questionnaires sent to local service agencies revealed an increased number of jobs in the field and an increasing need for professionals with background in the areas of children, youth, families, health and mental health.

The program is designed to provide access to social work education for place-bound students who cannot move to Seattle to attend the regular day or evening degree programs at the University of Washington School of Social Work.

PROGRAM DESCRIPTION

The program of study is designed to be completed in three years and replicates all of the essential components of the University of Washington MSW program. It is delivered through a mix of traditional classes, video and audio conferencing and online discussion. The curriculum includes courses in social policy, research and practice, and field practica.

At full enrollment the program will serve 30 FTE per year and will continue as long as appropriate based on institutional capacity and documented community needs.

ASSESSMENT AND DIVERSITY

The proposal outlines the foundations and professional socialization that will result in expected student learning outcomes and preparation for the field of social work. It includes a detailed assessment plan that addresses the criteria of the professional association in the field.

A strong reason for implementing this distance learning program was to attract Native American students and other students from historically disadvantaged groups who are committed to mitigating the effects of social and economic difficulties on the Olympic Peninsula through more effective social services. The School of Social Work is making specific and continuous efforts to ensure a diverse faculty, staff, and student body.

REVIEW PARTICIPANTS

The proposal was shared with other public baccalaureate institutions and includes a Memorandum of Understanding with Eastern Washington University regarding guidelines for future program planning.

PROGRAM COSTS

The MSW is supported with state funding at a cost of about \$9,000 per student FTE.

STAFF ANALYSIS

The MSW on the Olympic Peninsula serves needs for developing professional social workers on the Olympic Peninsula.

RECOMMENDATION

The University of Washington proposal to establish a distance learning Master of Social Work on the Olympic Peninsula is recommended for approval, effective December 6, 2000.

RESOLUTION NO. 00-60

WHEREAS, The University of Washington requested approval to offer a Master of Social Work via distance learning on the Olympic Peninsula; and

WHEREAS, The program responds to community needs for professional social workers; and

WHEREAS, The program of study is sound and reflects professional standards in the field of social work; and

WHEREAS, The program makes effective and appropriate use of distance learning technologies; and

WHEREAS, The assessment and diversity plans are appropriate for a program of this nature; and

WHEREAS, The program costs are reasonable;

THEREFORE, BE IT RESOLVED, That the Higher Education Coordinating Board approves the University of Washington request to offer a Master of Social Work program via distance learning on the Olympic Peninsula, effective December 6, 2000.

Adopted:

December 6, 2000

Attest:

Bob Craves, Chair

Kristi Blake, Secretary

WASHINGTON STATE UNIVERSITY ACADEMIC CALENDAR

Semesters vs. Quarters

December 2000

EXECUTIVE SUMMARY

OVERVIEW

In its 2000 supplemental operating budget, the Legislature directed the Higher Education Coordinating Board (HECB) to study the feasibility of Washington State University (WSU) moving from a semester system to a quarter system, and to report back with recommendations by December, 2000. Currently, all Washington community colleges and public baccalaureate institutions, except WSU, operate on a quarter system.

HECB staff gathered information from 28 states representing 50 state systems and the District of Columbia or individual institutions in the form of a literature search and SHEEO listserve request (see appendix). In addition, this report also examines the feasibility of aligning the state universities and colleges under either a single semester system or quarter system.

STUDY FINDINGS

Based on large-scale reports published by the American Association of Collegiate Registrars and Admissions Officers (AACRAO) and others, most universities across the country operate on a semester system rather than a quarter system, with the most common being an early semester system with the first semester ending before Christmas. Universities that have changed their academic calendars over the past 30 years generally have switched from a quarter system to a semester system. State legislatures, trustees or regents, and individual institutions have initiated these changes.

Proponents of the semester system cite lower costs, administrative efficiency, and a superior academic environment that allows students and faculty more time for in-depth study. However, the institutions studied had no solid evidence to support their inclinations. In addition, most of the individuals contacted agreed that no compelling evidence or research exists to support the contention that teaching/learning, research, service, or efficient use of resources is better under one system or the other.

WASHINGTON STATE UNIVERSITY'S POSITION

The State College of Washington (WSU) began its academic program in 1892 on the three-quarter system and adopted the semester calendar in fall 1894. With the exception of one academic year (1918-19) during World War I, WSU has remained on a semester system.¹

¹ Washington State University Libraries, *The Semester V.S. the Quarter Plan for the State college of Washington*, February 15, 1949

Currently, Washington State University operates upper-division branch campuses in Spokane, the Tri-Cities, and Vancouver. For the Tri-Cities and Vancouver in particular, articulation between the local community colleges and branch campuses is essential for students to move efficiently from lower to upper-division study. WSU Vancouver operates on a semester system while Clark Community College operates on a quarter system. Administrators at the WSU Vancouver branch campus believe that the different systems do impact articulation and would prefer to see both systems utilizing the same calendar, preferably a semester calendar. They specifically cite problems in aligning sequential courses.

WSU administrators do not believe that the all-encompassing and expensive change from semesters to quarters would be the best use of state resources and faculty time, especially in light of the national trend in the opposite direction from quarters to semesters. They are finding very successful ways to articulate with community colleges, in particular, and believe that higher education will become less dependent on time schedules, as technology plays an increasingly larger role in how we work and learn. However, if the Legislature directs and funds the academic calendar change, WSU will certainly follow through.

RECOMMENDATION AND ISSUES FOR FURTHER STUDY

HECB staff recommends that WSU maintain its current semester calendar based on the following:

- In every case study examined, there was no clear benefit to operating under one system over the other;
- The cost of changing the curriculum from one system to another is far higher than the marginal administrative savings or perceived benefits;
- A move from semesters to quarters runs counter to the national trend of institutions moving from quarters to semesters;
- Degree audit systems and course alignment methods (e.g., Course Applicability System) exist to accommodate student mobility regardless of the academic calendar employed.

In addition, HECB staff recommends that the state further examine the following issues:

- The impact of semesters versus quarters on student retention;
- Alignment issues with the K-12 system and K-12 reform;
- Capability of the Course Applicability System to accommodate student mobility;
- Coordinated delivery of classes and compatibility with the other universities participating in distance learning (e.g., Western Governor's Coalition).

WASHINGTON STATE UNIVERSITY ACADEMIC CALENDAR

Semesters vs. Quarters

December 2000

BACKGROUND

In its 2000 supplemental operating budget, the Legislature directed the Higher Education Coordinating Board (HECB) to study the feasibility of Washington State University (WSU) moving from a semester system to a quarter system, and to report back with recommendations by December, 2000. Currently, all Washington community colleges and public baccalaureate institutions, except WSU, operate on a quarter system.

HECB staff gathered information from 28 states representing 50 state systems and the District of Columbia, and individual institutions in the form of a literature search and SHEEO listserve request (see appendix). In addition, this report also examines the feasibility of aligning the state universities and colleges under either a single semester system or quarter system.

A HISTORICAL PERSPECTIVE

Nationally, there have been two large-scale efforts to move institutions from one academic calendar to another. Both efforts moved institutions from a semester to a quarter calendar.

The first was a national effort as a result of a federal wartime directive in 1918. The U.S. War Department imposed the quarter system on all colleges that participated in the Student Army Training Corps program in order to prepare more officers for the battlefield in a shorter period of time. As the war began to wind down in 1919, some institutions, such as the University of Washington, retained the quarter system while Washington State University reverted to a semester calendar by the margin of a single faculty vote.²

In the 1960s, states began another fairly large-scale effort to move institutions to a quarter calendar. Several state postsecondary systems converted to a quarter system as directed by their regents (e.g. Ohio) or by state legislature (e.g. California). Although no specific rationale was stated, the most common anecdotal reason appears to be “managerial/fiscal management ease.” In other words, state legislatures and university regents wanted every institution to operate on the same calendar. However, the 1960s were also a period in which more students were entering postsecondary education, including Vietnam veterans taking advantage of the G.I. Bill, and individuals wishing to avoid the conflict through student deferment. Perhaps, operating on a quarter system permitted these institutions to offer more units of study over a year to accommodate the increased demand.

² Washington State University Libraries, *The Semester V.S. the Quarter Plan for the State college of Washington*, February 15, 1949

Ironically, the same “managerial/fiscal management ease” urgency that drove boards of regents to abandon semesters for quarters in the 1960s is currently driving states to move to a semester system, along with the issue of transfer student management ease.

The California System and the University of California Los Angeles

In 1966, the Legislature directed the University of California Los Angeles to switch from a semester system to a quarter system as part of a statewide mandate for financial management consistency. Although UCLA opposed the change at the time, the quarter system currently enjoys support. On two occasions, UCLA has formally considered and rejected a return to a semester calendar and currently, there is no significant interest in considering the matter further. UCLA administrators believe that a switch would cost rather than save money and that it’s not worth the cost.

Ohio State and Ohio University

In the late 1960s, the Ohio University Board of Regents directed the university to move from a semester system to a quarter system. Like UCLA, Ohio State University opposed the idea of switching to another calendar. However, there is current support for the quarter system no interest in reverting back to semesters. In a 1996-97 study, administrators estimated that such the move would cost up to \$3 million to change the curriculum, computer systems, and administrative systems while saving \$20,000 to \$30,000 per year. An Ohio university administrator has questioned whether any savings could be realized. He noted that although students would register two rather than three times a year, enrollment services would run for the entire year regardless of the academic calendar. Consequently, he argued that costs associated with keeping the system running would remain constant.

Washington State University

The State College of Washington (WSU) began its academic program in 1892 on the three-quarter system and adopted the semester calendar in fall 1894. With the exception of one academic year (1918-19) during World War I, WSU has remained on a semester system. At least once during each decade from 1919 through the 1970s, Washington State University has studied the merits of moving from a semester calendar to a quarter calendar. In 1949, faculty member Harry E. McAllister published a paper examining a move from semesters to quarters. Of 1,099 postsecondary institutions that “did not include theological seminaries, junior colleges, and negro (sic) colleges,”³ approximately 82 percent of these institutions were on the semester system.⁴ Dr. McAllister concluded that although faculty agreed that a quarter system would better accommodate the State College’s expanding agricultural program, it would be more expensive to administer than a semester system.

The last WSU semester versus quarter study occurred in 1965 when the WSU Associated Student Board published the *ASWSU Board of Control Quarter System Evaluation*. The report’s

³ U.S. Office of Education Circular No. 248, November 15, 1948.

⁴ Ibid.

Introduction by Chairman Tom Reid stated that “at no time in the history of higher education in the United States has there been greater interest in the academic calendar than at the present.”

The report summary observed that, “The rapid increase in population following World War II, and the broadening interest of American youth to higher education have combined to produce college and university enrollments that have severely taxed the personnel and physical facilities of most institutions. State legislatures, institutional boards of control, as well as college administrations have sought various ways and means of meeting the demands of rising enrollments....Obviously the college or university calendar has received critical attention. The traditional American pattern of two semesters, of sixteen weeks each, extending from mid-September into the following June, had been under considerable scrutiny long before the advent of World War II....However, with the pace and tempo of life appreciation stepped up and the pressure from population increase upon the college and university, some change was and is inevitable. The change had to take the form of greater use of institutional facilities within the school day and within the whole of the academic year, from September 1, through the following August 31.”

The report goes on to recommend that WSU move to a quarter system in order to align its calendar schedule with the growing demands of increased student enrollment. It stated that “in evaluating the merits and drawbacks of the semester and quarter systems, our committee has found the advantages of the quarter system to outweigh those of the semester for students, faculty and administrators. In terms of the university’s total operations and responsibilities to the residents of the state of Washington, the quarter system appears superior. We strongly urge its review in planning for the future.”

Despite this strong endorsement to adopt a quarter calendar by the ASWSU Board, the university retained its semester calendar. However, HECB staff could find no information to determine the rationale supporting this decision.

Additional Calendar System Information

On a national scale since this period, literally every academic calendar change has been from a quarter system to a semester system. The changes have been initiated by state legislatures, trustees or regents, and even by individual institutions. Based on large-scale reports published by the American Association of Collegiate Registrars and Admissions Officers (AACRAO) and others, most universities favor some version of the semester system over the quarter system, with the favorite being some version of an early semester system in which the first semester ends before Christmas.

Institutions that continue to operate on a quarter system generally have conducted at least one campus-wide study regarding the benefits of moving to a semester system. The issues that are most often raised (without a great deal of supporting evidence) are costs, administrative efficiency, and a superior academic environment that gives students and faculty more time for in-depth study.

The Utah State Legislature required that all state institutions switch to a semester system. Utah State University reported that the principle reason for the Legislature to require all institutions to

change was the Western Governors coalition's desire for coordinated delivery of classes and compatibility with the other universities. However, the single largest factor that is influencing moving to a semester system seems to be the perception that it improves the process of accommodating transfer students, and that there would be better alignment with other systems.

A comprehensive study regarding the issue of semesters vs. quarters was released by a task force at Ohio University 1997 (**Calendar Study Task Force 1996-97**). Ohio University was examining moving from a quarter calendar to a semester calendar. (They retained their quarter calendar.) The study reports that many of the schools studied had hoped for more transfer students as a result of the change. However, none reported this as an observable result. In fact, there are currently degree audit systems and course alignment methods (e.g. Course Applicability System) that accommodate student mobility regardless of the academic calendar employed. In fact, UCLA disagreed with the commonly held perception that the transfer student process is easier when everyone is on the same system. They point out that a sophisticated university can easily handle this by multiplying by $2/3$ and $3/2$ and by not getting too concerned over .5 credit hour differences in courses.

The Ohio University report also notes that although more colleges and universities have been changing to semester calendars over the past several years, there have been unanticipated issues. In fact, one member of the task force reports that several schools changing to a semester academic calendar have experienced difficult and "traumatic" periods of adjustment.

Those that have remained with the quarter calendar also have discovered new challenges. For example, with the trend toward semesters, more textbooks are being written for schools using semesters and other higher education activities (e.g. professional conferences for faculty members) are scheduled based on the semester calendar.

One notable exception to the trend of moving from a quarter calendar to a semester calendar is Northwest Missouri State University. Although it did not move to a true quarter system, NW Missouri created a trimester system in an attempt to grow its summer enrollment by making the summer experience more equal to the fall/spring (thus, trimester). It established a goal of 50 percent growth over three years and has reached 34 percent after two years. To market the program, the school has increased financial aid offerings in the summer and experimented with three-year degrees. However, the regular academic year calendar still resembles semesters more than quarters.

ADVANTAGES OF QUARTERS VERSUS SEMESTERS

Following are summaries of the advantages of each system based on anecdotal evidence and opinion, as presented in the Ohio University case study task force report. The report notes that the institutions contacted had no solid evidence to back up their inclinations. In addition, it points out that most of the individuals contacted agreed that no compelling evidence or research exists to support the contention that teaching/learning, research, service, or efficient use of resources is better under one system or the other.

Advantages of the Quarter System

- Provides greater variety;
- Enforces focus;
- Offers more chances for success;
- Provides more opportunity to make up for failure;
- Is less significant than a poor semester;
- Is easier to transfer to rather than from a quarter system;
- Is easier to pay bills in smaller bites; and,
- Improves operations of co-op programs.

Advantages of the Semester System

- Improves administrative efficiency;
- Eases the transfer student process;
- Facilitates management of the academic calendar;
- Improves efficiency in the use of space;
- Creates savings in student services offices; and,
- Provides additional time for in-depth study by faculty and students.

QUESTIONS NOT FULLY ADDRESSED

Although comprehensive, these studies did not address two key issues: 1) alignment with the K-12 calendar and 2) the impact of semesters versus quarters on student retention.

The alignment with the K-12 calendar could not have been anticipated since dual credit with Programs such as Running Start either did not exist or were in very early stages at the time those other reports were produced.

Although the impact on student retention was a major concern, that concern was addressed only in a superficial sense or never really developed at all by any of the reporting states. The idea that semesters may improve retention is worth further study. For any institution that operates on a semester calendar, the premise that retention rates are higher theoretically makes sense, since students can only leave the institution at one point.

In Washington State, three additional factors add substance to this premise:

- 1) Dropout rates have traditionally been highest between the winter and spring quarters when the weather begins to improve after two intense quarters of study;
- 2) Retention rates at WSU have been historically high. For entering freshmen, retention is currently 83 percent;
- 3) Most students still traditionally enter college in the fall. Since most dropouts occur between winter and spring, it is difficult to make up that loss – particularly in the second year of a biennium.

The issue of better alignment with the K-12 system also deserves attention. As a result of education reform efforts occurring in Washington State, qualified high school juniors and seniors

are identifying an assortment of pathways to satisfy high school graduation requirements. Some pathways include dual credit opportunities, such as Running Start, College in the High School, Advanced Placement, International Baccalaureate, and Tech Prep. The dual credit options provide students with an opportunity to simultaneously earn high school and college credit. In particular, Running Start is a popular option among students, with 12,548 students participating at the community and technical colleges in 1999. This opportunity works well for good students and for students who have planned ahead.

However, because most high schools operate on a semester system and all community colleges operate on a quarter system, the disconnect of academic calendars is particularly difficult for students who for one reason or another must drop mid-term from a class they are taking as part of Running Start. It is also a problem at the beginning of the school year. The community colleges begin classes in late September; high schools generally resume shortly after Labor Day. These scheduling issues are particularly difficult for high school administrators who work with scheduling.

WASHINGTON STATE UNIVERSITY'S POSITION

Currently, Washington State University operates upper-division branch campuses in Spokane, Richland (Tri-Cities), and Vancouver, Washington. For the Tri-Cities and Vancouver in particular, articulation between the local community college and the branch campus in that community is essential in order for students to move efficiently from lower to upper-division study. In the case of the Vancouver branch campus, WSU Vancouver is on a semester system, whereas Clark Community College utilizes a quarter calendar. Administrators at the WSU Vancouver branch campus believe that the two systems do impact articulation between the institutions and would prefer to see both systems utilizing the same calendar, preferably a semester calendar. In particular, they cite problems in aligning the differences with sequential courses.

WSU does not believe that the all-encompassing and expensive change from semesters to quarters would be the best use of state resources or faculty time, particularly with the rest of the country moving in the opposite direction to semesters. They are finding very successful ways to articulate with community colleges, in particular, and as technology continues to play a bigger role in how we work and learn, they believe that we will all be less dependent on time schedules. However, if the Legislature directs and funds WSU to do so, they will certainly follow through.

RECOMMENDATION TO THE BOARD

HECB staff recommends that WSU maintain its current semester calendar based on the following:

- In every case study examined, there is no clear benefit to operating under one system over the other;
- The costs of changing the curriculum from one system to another are far higher than the marginal administrative savings or perceived benefits;

- A move from semesters to quarters runs counter to the national trend of institutions moving from quarters to semesters;
- There are currently degree audit systems and course alignment methods (e.g., Course Applicability System) that accommodate student mobility regardless of the academic calendar employed.

In addition, HECB staff recommends that the state further examine the following issues:

- The impact of semesters versus quarters on retention;
- Alignment issues with the K-12 system and K-12 reform;
- Capability of the Course Applicability System to accommodate student mobility;
- Coordinated delivery of classes and compatibility with the other universities participating in distance learning (e.g., Western Governor's Coalition).

State/Institution	Previous	Current	Study	Begin	Sem>Qtr	Qtr>Sem	Approval
1. ALABAMA							
• Auburn University	Quarter	Semester	1996	2000		XX	Legislature
2. ARIZONA							
• Arizona State System	Unknown	Mixed	Periodic	No Changes			
3. CALIFORNIA (System Change to Qtr - 1966)							
• UCLA	Semester	Quarter	1995	No Change		XX	Institution
• Berkley	Quarter	Semester	None	1970		XX	Institution
• Occidental	Quarter	Semester	Unknown	1994		XX	Institution
4. COLORADO							
• Colorado State System	Semester	Semester	No Study	No Change			
5. CONNECTICUT							
• CT Technical Colleges	Quarter	Semester	Years Ago	Years Ago		XX	
6. DELAWARE							
• Delaware State System	Semester	Semester	No Study	No Change			
• Delaware CC/Tech System	Quarter	Semester	Unknown	1993		XX	Legislature
7. FLORIDA							
• Florida State System	Quarter	Semester	Unknown	1980		XX	Regents
8. GEORGIA							
• Georgia State System	Quarter	Semester	1993	Pending		XX	Regents
9. HAWAII							
• Hawaii State System	Semester	Semester	No Study	No Changes			
10. IDAHO							
• Idaho State System	Unknown	Unknown	1997	No Change			
11. LOUISIANA							
• Louisiana State System (1 Institution on Quarters)	Semester	Semester	No Study	No Change			

State/Institution	Previous	Current	Study	Begin	Sem>Qtr	Qtr>Sem	Approval
12. MARYLAND • Mount Vernon College	Quarter	Semester	No Study	Unknown		XX	Unknown
13. MASSACHUSETTS • Replied – No Studies							
14. MICHIGAN • Michigan State University	Quarter	Semester	1991	Fall 1993		XX	Institution
• MI Technological Institute	Quarter	Semester	1997	Fall 2000		XX	Institution
15. MINNESOTA • Non-University of MN	Quarter	Semester	Unknown	early 1990's		XX	Legislature
• University of Minnesota	Quarter	Semester	1985, 86, 88	1999		XX	Institution
16. MISSOURI • Missouri State System	Semester	Semester	No Study	No Change			
• NW Missouri State Univ.	Semester	Trimester	Unknown	1998			Institutional
17. MONTANA • Montana State System	Quarter	Semester	Unknown	1991		XX	Regents
18. NEVADA • Nevada State System	Semester	Semester	No Study	No Change			
19. NORTH DAKOTA • North Dakota State System	Quarter	Semester	Unknown	1997		XX	
20. OHIO • University of Akron (Changed to Qtr - 1967)	Quarter	Semester	No Study	1978		XX	Regents
• Bowling Green University	Quarter	Semester	Unknown	Fall 1982		XX	Institution
• University of Cincinnati	Quarter	Quarter	1979	No Change		XX	
• Cleveland State University	Quarter	Semester	1995	1998		XX	
• Cuyahoga CC	Quarter	Semester	1995	Fall 1998		XX	Trustees
• Kent State University	Quarter	Semester	No Study	1978		XX	Regents
• Lakeland CC	Quarter	Semester	1996	2000		XX	Trustees

State/Institution	Previous	Current	Study	Begin	Sem>Qtr	Qtr>Sem	Approval
OHIO (Continued)							
• Lorrain CC	Quarter	Semester	1996	Fall, 998		XX	Trustees
• Miami University of Ohio	Quarter	Semester	No Study	1978		XX	President
• Ohio State University	Quarter	Quarter	Unknown	No Change		XX	
• Ohio University	Quarter	Quarter	No Study	No Change			
• Shawnee State University	Quarter	Quarter	Current	Pending		XX	Unknown
• University of Toledo	Quarter	Semester	1995	1997		XX	Unknown
• Washington CC	Quarter	Quarter	1990's	No Change		XX	
• Wright State University	Quarter	Quarter	Current	Pending		XX	
• Youngstown State Univ.	Quarter	Quarter	Current	Pending		XX	
21. OREGON							
• Oregon State System	Quarter	Quarter	1997	No Change		XX	
22. RHODE ISLAND							
• Replied – No Studies							
23. SOUTH CAROLINA							
• SC State System	Mixed	Semester	Unknown	1988		XX	Legislature
• SC State Technical Colleges	Quarter	Semester	Unknown	1990		XX	Legislature
24. TENNESSEE							
• University of Tennessee	Quarter	Semester	1985	Fall 1988		XX	Unknown
25. UTAH							
• Utah State System	Quarter	Semester	1996	1998		XX	Legislature
26. WASHINGTON							
• The Evergreen State College	Quarter	Quarter	Periodic	No Change		XX	
• University of Washington	Quarter	Quarter	No Study	No Change			
• Washington State Univ. (On Quarters 1918-1919)	Semester	Semester	No Study	No Change			

State/Institution	Previous	Current	Study	Begin	Sem>Qtr	Qtr>Sem	Approval
<p>Washington (Continued)</p> <ul style="list-style-type: none"> • Western Washington Univ. <p>27. WEST VIRGINIA</p> <ul style="list-style-type: none"> • Replied – No Studies 	Quarter	Quarter	Periodic		No Change		XX

STATES WITH NO INFORMATION

1. ALASKA
2. ARKANSAS
3. DISTRICT OF COLUMBIA
4. ILLINOIS
5. INDIANA
6. IOWA
7. KANSAS
8. KENTUCKY
9. MAINE
10. MISSISSIPPI
11. NEBRASKA
12. NEW HAMPSHIRE
13. NEW JERSEY
14. NEW MEXICO
15. NEW YORK
16. NORTH CAROLINA
17. SOUTH DAKOTA
18. OKLAHOMA
19. PENNSYLVANIA
20. TEXAS
21. VERMONT
22. VIRGINIA
23. WISCONSIN
24. WYOMING

RESOLUTION NO. 00-61

WHEREAS, The Legislature directed the Higher Education Coordinating Board to study the feasibility of Washington State University operating on a quarter system; and

WHEREAS, Washington State University has operated on a semester system since 1919; and

WHEREAS, There appears to be no clear benefit to operating under one system or the other; and

WHEREAS, The costs of changing the curriculum from one system to another are far higher than the marginal administrative savings or perceived benefits; and

WHEREAS, A move from semesters to quarters runs counter to the national trend of institutions moving from quarters to semesters; and

WHEREAS, There are additional statewide issues that should be examined further;

THEREFORE, BE IT RESOLVED, That the Higher Education Coordinating Board recommends to the Legislature that Washington State University maintain its current semester calendar.

Adopted:

December 6, 2000

Attest:

Bob Craves, Chair

Kristianne Blake, Secretary

DISTANCE LEARNING STUDY (HB 2952)

Distance Education – Draft Report

December 2000

I. Introduction

Distance education overview

Colleges and universities traditionally have provided instruction in classrooms or laboratories, where teachers and students communicate face-to-face. However, distance education, in which instructors and students are physically separated, has a long history as well. Washington State University has provided distance education to our state's citizens through its correspondence courses since the 1920s. The development of electronic technologies of communication and their application to higher education has broadened distance learning opportunities in the second half of the century. In the 1970s several Washington cities established educational television channels, and in the 1980s the state's colleges and universities began to make widespread use of videotapes for instruction. Interactive video was first used for instruction in our state in 1985, with the development of WHETS, the Washington Higher Education Television System, at Washington State University. In the 1990s, the state's colleges and universities began to take advantage of the burgeoning Internet to offer online instruction. This instruction takes place, in part, through Washington's K-20 Educational Network, which provides Washington's educational community with high-speed video and data transmission lines.

HB 2952: Purpose and history

As the state's investment in distance education has grown, the Legislature has increasingly become interested in learning how public post-secondary institutions are using distance education; whether distance learning yields cost savings; and whether distance education meets the needs of our state's students.

In the 2000 legislative session, the Legislature adopted EHB 2952, directing the Higher Education Coordinating Board to study distance education in Washington, in conjunction with the State Board for Community and Technical Colleges, the Office of Financial Management and the state higher education institutions.

Following the enactment of the bill, the HECB worked with the various institutions -- and sought additional feedback from the Legislature's higher education committees -- to design a study that would accomplish two primary objectives: (1) to provide as much information as possible about *current* distance education activities among the public higher education institutions; and (2) to review the policy issues raised in the legislation in a way that would help to inform the Legislature's *future* decision-making about distance education.

II. Definitions and Data Collection

In 1999, the Washington State Legislature adopted a budget proviso directing the Office of Financial Management to collaborate with the HECB, the SBCTC, and state's public colleges and baccalaureate institutions in the development of a system for collecting consistent data on students enrolled in distance education courses. After sustained consultation, OFM produced revised enrollment formats for the Public Centralized Higher Education Enrollment Reporting System III (PCHEES, which collects data on enrollments in public baccalaureate institutions) and the Management Information System (MIS, which collects data on enrollments in the public two-year colleges).

For the purposes of enrollment reporting, a distance education course was defined as: “*an academic course where teachers and students are physically separated for a predominant (51 percent or more) amount of the instructional contact hours*” and the instruction is delivered predominantly through one of five delivery modes: “*pre-recorded, correspondence, Internet, interactive television, and broadcast.*”

Because this new reporting system would not produce distance education enrollment data until November 2000 – and was not designed to provide information about tuition and fees or other aspects of distance education – the Higher Education Coordinating Board asked the state's public colleges and universities in August 2000 to submit data to them on their use of distance education in the 1999-2000 academic year. In particular, the HECB asked universities and colleges to report on:

- The number of degree and certificate programs that are provided partially or entirely through distance education;
- The number of courses and enrollment (by headcount and FTE) of courses offered through distance education;
- How these courses are financed (state funded or self-supported), and how the instruction is provided (on-line; interactive video; prerecorded; correspondence; or a combination);
- Characteristics of students enrolled in these courses; and
- Tuition and fees charged to students.

Recognizing that colleges and universities might not have data available in the revised PCHEES and MIS format, the HECB opted for flexibility in reporting. It permitted institutions to designate which of their courses (and enrollments) was “distance education” without establishing a rule about instructional contact hours. One should bear in mind that distance education for the purposes of this report may include some courses in which some—but less than half—of instructional contact hours occur where teachers and students are physically separated.

All data reported in this study, unless otherwise indicated, are from the HECB August 2000 survey. All data describe instructional activity at the state's public two and four year institutions, and do not reflect the activities of private postsecondary educational institutions. The data contained in this report are *preliminary*, and must be reviewed and verified with the state's public two and four-year institutions. Some of the findings contained in this document may be slightly amended after the verification of these data.

III. Distance Education: The Statewide Picture in 1999-2000

Degree Programs Available

In 1999-2000, students could earn 22 different undergraduate and graduate degrees from the state's public baccalaureate institutions entirely through distance education. The state's community and technical college system offered academic transfer, business transfer, general studies, and three other degrees entirely on line. These degree programs represent a small share – about 1 percent – of all degree programs offered by our state's public colleges and universities.¹

Courses Available

In 1999-2000, Washington's public higher education institutions offered about 3,700 distance education courses. Some 3,500 were courses offered for credit, and another 185 were noncredit courses. Of the 3,500 credit-bearing courses, 53 percent (1,831) were offered at the state's community and technical colleges, while the remaining 47 percent (1,669) were offered at the state's public baccalaureate institutions.

Distance Education Enrollments System-wide

More than 58,000 students (headcount) were enrolled in distance education courses offered at Washington's public colleges and universities in 1999-2000. This is equivalent to approximately 8,200 average annual FTEs (full-time equivalent students), or about 3.5 percent of all state-supported FTEs.

Distance Education Enrollments by Sector and Institution

Slightly more than half of all distance education enrollments, whether measured by headcount or FTE, are in community and technical college (CTC) courses. Fifty nine (59) percent of the state's distance education students (by headcount) enrolled at public institutions were enrolled in the community and technical colleges, while the remaining 41 percent were enrolled at public baccalaureate institutions.² Measured by full-time equivalent students, 52 percent of all distance education FTEs were in CTC courses, while 48 percent of FTEs resulted from enrollments in courses offered by baccalaureate institutions.

¹ In 1999-2000, 3,113 two-year, baccalaureate, and graduate degree programs at the state's public colleges and universities were approved for VA reimbursement. Source: Mike Ball, HECB. 28/3,113 is approximately one percent. Many degree programs can be completed in part through distance education. Because degree programs typically do not establish rules about the use of distance education courses, it is not possible to establish a meaningful count of these programs.

² This includes enrollment in both credit and noncredit courses.

Within the baccalaureate sector, the Washington State University and the University of Washington together account for nine out of 10 students enrolled (by headcount) in distance education courses. In 1999-2000 WSU comprised 62 percent of all headcount enrollments, and the UW 28 percent. Eastern Washington University (3 percent), Central Washington University (5 percent), and Western Washington University (2 percent) reported significantly smaller enrollments, while The Evergreen State College reported none.

Through What Technologies Is Distance Education Provided?

How are the students who enroll in distance education at Washington's public colleges and universities served? In 1999-2000, just over one-third of all distance education (36 percent) was provided online, while prerecorded video accounted for just over one-quarter (27 percent) of all distance education enrollments by headcount. Interactive video comprised 17 percent of enrollments, while correspondence courses comprised a modest 9 percent of enrollments. The remaining 11 percent of enrollments were in distance education courses that rely upon two or more of these technologies.

How is Distance Education Funded?

The state's public colleges and universities reported that 70 percent (by headcount) of all distance education enrollments were state-funded, while the remaining 30 percent were self-supported.³

IV. Distance Education at the Sector and Institutional Level

Perhaps the most important feature of distance education at the state's public universities and colleges is its diversity. If one looks at individual institutions, there is great diversity – in how much distance education different institutions undertake, in how they choose to fund distance education, and in the technologies upon which they rely. Distance education has developed in different ways at different campuses depending upon their market niche, the mission, and their existing human and technical resources.

State higher education policy has been broadly permissive towards distance education; it has not forced higher education institutions to embrace one set of practices for financing or one particular technology for providing distance education. Therefore, institutional practices vary widely. At the University of Washington, for example, 98 percent of distance education enrollments are self-supported, while at the Washington State University 90 percent of distance education enrollments are state-supported.

³ In general, courses at the baccalaureate institutions that qualify as state funded are ones that count as credit toward a degree and which charge tuition rates as prescribed by state statute. For two-year institutions, courses leading to certificates (but which may not be degree applicable) can also count as state funded. Additional specific criteria, such as those pertaining to tuition waivers, state employee and faculty enrollments, and summer instruction, also help determine which enrollments are categorized as state funded.

Although distance education varies from one institution to another, two clear patterns can be ascertained. First, the state's public two and four-year institutions have undertaken distance education in significantly different ways. Second, within the four-year sector, the comprehensive and research universities have responded differently to the challenges and opportunities of distance education.

One simple way of examining how extensively academic institutions participate in distance education is to examine the ratio of distance education enrollments (FTEs) to their total state-funded FTEs. While state-funded enrollments do not capture the full educational mission of any individual institution, they capture much of it, and this provides us with a common denominator for measuring the relative importance of distance education to each sector and institution. The 8,212 statewide distance FTEs reported for 1999-2000 are approximately 4 percent of the total 204,213 state-funded FTEs for that year.

A. The Two Year Sector

In the state's community and technical college system, the 5,413 distance education FTEs comprised about 4.3 percent of the 1999-2000 state-funded enrollments. In short, the CTCs' use of distance education is moderately extensive relative to higher education overall.

The most distinctive feature of the CTC system's participation in distance education is its relatively high level of coordination in developing distance education initiatives and providing distance education instruction. The single most extensive partnership with public postsecondary education occurs within the community and technical college system. In 1999-2000, 28 percent of all CTC online enrollments were pooled and managed by the Washington Online (WAOL) consortium (this represents 11.5 percent of the total number of distance education enrollments in the two-year colleges). The consortium brings faculty together from several colleges to develop online courses for the system. This collaboration makes possible an important efficiency: only one online course in a subject (e.g. Introduction to Sociology) needs to be developed for all colleges to adopt and use. CTC students register from their home institutions for a WAOL course, and the home institutions, in turn, reimburse the institution whose instructor is teaching the course.⁴ About seven out of 10 online enrollments, however, continue to be provided through individual institutions: Students take online courses from their home institution, and each institution offers its own version of the online course.

To achieve further efficiencies in the CTC system, the State Board for Community and Technical Colleges (SBCTC) is planning to use federal "Learn Anywhere Anytime Program" (LAAP) funds to support the development of a one-stop online service center from which students will have 24-hour student services and centralized access to all of the two-year colleges' online curriculum. It is also planned that this service center will be expanded to include one-stop enrollment and payment services for students, making it possible for students to register simultaneously in many colleges' classes. The proposed site will link colleges' administrative systems, making it possible to calculate tuition and to inform financial aid officers of multi-college enrollments. Finally, the system will provide students with the ability to run degree

⁴ Washington On Line Progress Report, May 1999.

audits, comparing their completed course work with their colleges' degree requirements and providing a report of unmet course requirements.

B. The Baccalaureate Sector

The amount of distance education instruction taking place at the state's public baccalaureate institutions varies widely. At the four comprehensive universities, distance education enrollments represent from 0 to 2 percent of their state-funded enrollments, indicating a modest use of distance education. The Evergreen State College reported no distance education enrollments in the August 2000 HECB survey, while CWU, EWU, and WWW reported ratios of 1.7 percent, 1.2 percent, and 2 percent, respectively. The state's two research universities both reported significantly more distance education enrollments than did the comprehensive universities: 5.7 percent at the University of Washington, and 8 percent at Washington State University.

Enrollments are financed very differently at these institutions. At two, the University of Washington and Western Washington University, FTE enrollments are almost exclusively self-supporting; that is, the courses are financed wholly by charges to students, rather than by state appropriations. At Central Washington University and Washington State University, most enrollments are state-funded. Eastern Washington University's enrollments are evenly divided between the two funding sources.

There is less collaboration among the state's public baccalaureate institutions in the development of distance education than there is within the two-year sector. Two examples of collaboration stand out: (1) the Cooperative Library Project links the libraries of the six public baccalaureate institutions through a web-accessible central network; and (2) discussion by Central, Eastern, Western, and Washington State Universities of the possibility of creating a collaborative statewide degree in business. However, there are no efforts under way that are comparable to the CTCs' Washington Online.

There is no statewide policy compelling collaboration in the development of distance education. There is no four-year organization that embodies the governing role of the State Board for Community and Technical Colleges. The K-20 network is a shared system for moving information, rather than a system for academic governance that can promote collaboration.

Baccalaureate institutions differ far more widely than do two-year colleges in market niche and mission. Public baccalaureate institutions do find it advantageous to establish collaborative agreements with other institutions around the nation that have similar missions and market niches. The University of Washington, for example, is a partner in R1edu, a distance learning portal web page where research institutions jointly market distance education programs. As its name, an abbreviation for "Carnegie Category I Research Institutions," suggests, the key to this collaborative relationship is comparable mission and market.⁵ Because the six four-year institutions have different missions and markets, it is unlikely that all of them will voluntarily

⁵ The University of Washington describes R1edu as a "distance learning collaboration between [sic] the top North American Universities." R1edu features "partnerships in many areas including a Web page developed and maintained by the UW and used to market the best distance learning programs globally." HECB Survey Response, p. 3.

join together in the development of shared courses, degrees and student services. Less comprehensive partnerships among similar schools and less intrusive forms of collaboration, such as common online course transfer system, appear far more likely to elicit their participation.

V. Costs and Budget Issues Related to Distance Education

A. Operational Cost Factors: What Are the Costs Associated with Providing Distance Education?

The State of Washington finances instruction at its public colleges and universities based upon the number of full-time equivalent (FTE) students enrolled in an institution. To ensure that instruction is funded at an appropriate level, the state has created a methodology for estimating the cost of instruction per FTE. The Higher Education Coordinating Board, using this methodology, estimates the cost of instruction by institution and by level of instruction (undergraduate v. graduate). Washington does not fund higher education by method of instruction, such as online instruction versus traditional classroom instruction. As a result, the state does not have a statewide methodology for estimating the costs of instruction based upon the method of instruction.

In the absence of a standard methodology for estimating the cost of instruction, each institution has its own methodology for establishing the cost of distance education instruction. Isolating the costs associated with distance education is extremely difficult. While some parts of the cost of instruction, such as the instructor's time, may be relatively simple to estimate, many other parts of the cost of instruction, especially costs such as administrative overhead or student support, are not. The state's methodology for estimating the cost of instruction does not attempt to separate the cost of instruction into these individual elements.

The only solution to the costing problem has been organizational: if distance education is segregated into an entirely freestanding operation – with its own instructors, staff, support services, and so on – then it is possible to isolate the costs of distance instruction. This is the case at the University of Washington, where virtually all of distance education enrollments (98.3 percent by headcount) are in “self-support” courses and are financed from students' fees outside of regular state tuition.

Faced with the challenge of costing distance instruction, institutions are participating in efforts to develop common methodologies, a prominent example of which is the Western Interstate

Cooperative for Higher Education's Technology Costing Methodology Project.⁶ As yet, there is no agreement among higher education finance officers about a costing methodology for distance education, and it will be some time before agreement emerges.

If current FTE funding and costing practices lead to distortions in the quantity or quality of distance education, then the existing FTE-based funding system and the absence of a

⁶ For an example of the project's progress, see the report “Technology Costing Methodology Project,” Washington State University, August 10, 2000.

standardized statewide costing methodology may pose a problem for the state of Washington, its students, or its academic institutions.

The available evidence does not permit the development of firm conclusions about the quantity or quality of distance education that is being provided by our state's public colleges and universities. There are no data, for example, that would reveal systematically whether there is unmet student demand for online or interactive video courses. However, circumstantial evidence – especially the fact that Washington Online's full-time enrollments more than doubled between 1998-1999 and 1999-2000 – suggests the existence of strong student demand for online coursework.

Further complicating efforts to promote collaboration is the fact that jointly produced courses raise the difficult question of which institution will “receive” the FTEs – and the funding that accompanies them.

B. Tuition, Fees, and Financial Aid

Tuition and Fees

The tuition and fees paid by students who enroll in distance education courses vary significantly among institutions. For example, if a full-time resident undergraduate student chooses to enroll for one distance education course, she will pay no additional charge beyond regular tuition at Washington State University. Were she enrolled at the University of Washington, she would pay \$125 per credit in addition to her regular tuition.⁷

The price paid by students for a distance education course varies because it is determined both by state and local institutional policies. For example:

- If an institution chooses to provide distance instruction through *state support*, then the institution may not charge a separate tuition fee for the course--providing that the course is taken for credit, and the credits count towards a regular program of study. Most community and technical college instruction is state-supported instruction, for which students pay the same tuition as on-campus students. This is also the approach used by three public baccalaureate institutions – CWU, EWU and WSU.
- If a course is not part of a regular program of study, but instead a continuing education or extension course, then institutions may choose to charge an additional fee.
- If a course is a “*self-supported*” course, not financed by state appropriations for instructional support, then the institution may set its own price per credit. This approach is used for a large majority of the distance education provided by the UW and WWU. Whether courses are offered on a state-supported or self-supported basis, institutions are permitted to charge an additional student technology fee; these typically range between \$10 and \$60 per course.

⁷ Except for degrees in computer science or social work.

Some institutions also charge other miscellaneous fees; at the University of Washington, for example, students pay an additional \$20 registration fee for distance education courses.

Financial Aid

The opportunity to participate in higher education, whether through traditional, on-campus enrollment or via distance education alternatives, is available only to those who can afford to pay for it – with their own resources, or with the help of student financial aid. However, in their present form, federal and state financial aid programs are not readily adaptable for students enrolled in non-traditional educational delivery systems.

In the 1960s and 1970s, when most federal and state financial aid programs were created, higher education was based almost exclusively on a traditional college model. Students attended classes on a college campus; they enrolled for a nine-month academic year; and they incurred standard expenses for living on campus or at home, purchasing books and supplies at the college bookstore, and transportation expenses for visits home or for commuting costs. Education programs were offered in quarters or semesters over a scheduled academic year; credit hours and grade-point averages measured progress.

Over time, efforts to ensure integrity and to stem fraud and abuse in financial aid programs have resulted in increasingly prescriptive laws, regulations, and administrative requirements. Systemic change in the determination of institutional and student eligibility, as well as comprehensive modification of most administrative processes, will be needed to provide financial aid to students enrolled primarily or exclusively through distance education alternatives that are not configured to fit the traditional model.

The federal government provides nearly three-fourths of the financial aid available to Washington students. Student eligibility and many of the administrative requirements for state-funded financial aid programs are designed to complement and be coordinated with federal programs in order to maximize resources and ensure equity in the distribution of funds among eligible students. State programs require that institutions be approved to participate in federal financial aid programs as a prerequisite to state eligibility. Therefore, standards established for federal financial aid programs are of direct relevance to the state's programs, as well.

How – and the extent to which – federal financial aid programs should be modified to respond to the emergence of new higher education alternatives made possible by technology, is currently under consideration. Under terms adopted by Congress, several institutions and consortia have

been authorized by the U.S. Department of Education to participate in a demonstration project in which they are permitted to modify specific regulations to award financial aid to students enrolled in distance learning programs. Based on the outcomes of these demonstration projects, Congress will consider possible changes to institutional and student financial aid eligibility criteria when the federal Higher Education Act is next reauthorized.

The Higher Education Coordinating Board is involved with the federal Distance Education Demonstration project. In addition, the Board, in consultation with institutions and other

interested parties, will soon begin to consider whether the policies and procedures for existing state financial aid programs should be modified, or whether different aid programs might be needed to provide assistance to students enrolled in educational programs offered through technology.

C. Facility Use and Capital Budget Implications of Distance Education

Many policy makers believe that distance education will permit more enrollment capacity from the existing stock of scheduled instructional space. The logic is clear: If half of the 50,000 or so additional students who enroll in public higher education in the coming decade take their courses online, might we need to build classroom space sufficient to instruct only 25,000 students? Three important features of instruction and facilities complicate this picture:

- *Most campus space is not instructional space.* A central fact of campus facility planning is that only approximately 20 percent of campus facility space is scheduled instructional and instructional support space, e.g. classroom and laboratory space.⁸ The vast majority of campus space is allocated to faculty and administrative offices, student support services, residence halls, and other uses.
- *A significant share of distance education takes place in scheduled instructional spaces.* While about 80 percent of distance education instruction by headcount in 1999-2000 was not “site-based” (e.g. online instruction or prerecorded video), approximately 20 percent was “site-based” instruction, e.g. interactive video.
- *In those instances where distance education requires scheduled instructional space, that space may be more costly than traditional classroom space.* Estimates from distance education specialists suggest that the capital needs of distance education courses are higher than traditional classroom instruction – depending upon the size of the classroom and the technology of the facility.

Simply put, distance education has two contradictory effects: it *reduces* the amount of instructional space per FTE, but it *increases* the cost on instructional space per FTE. Whether distance education reduces the capital costs associated with instruction depends upon the relative magnitude of these two effects.

Finally, while state policy makers see distance education as a substitute for bricks and mortar, colleges and universities do not. Rather, from an institutional perspective, distance education is an add-on or a complement to bricks and mortar, not a substitute. Why do campus planners view the matter differently? Capital funding relies upon bond financing, and operates upon the assumption that facilities – such as buildings – will last for 25 years or longer. The technologies upon which most distance education relies have a life span that is far shorter, often about five years. Given this mismatch between short-lived distance technologies and long capital funding cycles, institutions are required to look elsewhere to replace obsolete (and typically unusable) technologies. They must absorb the costs of replacement by using grants, donations or

⁸ Source: “E-Learning and Space Needs,” HECB staff analysis, July 2000.

institutional operating budgets, or by passing the cost through to students in the form of technology or other fees.

VI. The Impact of Distance Education on Students and Faculty

A. Students

The characteristics of students who enroll in distance education courses vary widely from one institution to another.

- In the **CTC system**, students enrolled in distance education courses are typically enrolled on campus (80 percent). Many (67 percent) are full-time students, and most are traditional college-age students (the median age is 25). The demography of this population, therefore, is similar to that of the overall CTC student population. For these students, already enrolled and often full-time, distance education offers added convenience and course selection.

In the **public baccalaureate sector** the characteristics of students show two broad patterns, revealing both the increased convenience and increased access that distance education provides.

- At **Central Washington University** most students (81 percent) are enrolled on campus sites, either at Ellensburg or at a CWU Center, and most are youthful. For these students, like CTC students, distance education provides additional convenience and course selection.
- At **Washington State University**, distance education students are far older than the typical WSU student – their median age is 36 – and 75 percent are women. The vast majority of these students, 78 percent, are not taking on-campus courses, and very few, 11 percent, are full-time students. In short, WSU’s distance instruction is providing these part-time, nontraditional students with access to higher education that they would not otherwise have.

The needs of students who enroll in distance education courses from off-campus locations are different from those of students who learn in a classroom setting. Students who are not present on campus may not have ready access to student support services, such as advising, registration, and financial aid. Distance education poses a special challenge to the existing network of support services that underpins classroom instruction. In particular, distance education often calls for the creation of instructional support services that are remotely available on a 24-hour, seven-day basis.

Recognizing this need, the State Board for Community and Technical Colleges has requested a \$6.5 million dollar appropriation in the 2001-2003 biennium to provide funding for an online service center.⁹ The proposal calls for “a one-stop online bookstore, virtual “lockers” where students can store portals to their online classes and services, and a help desk available 24 hours

⁹ And, the Higher Education Coordinating Board has recommended that this be funded.

a day, 7 days a week.”¹⁰ No system-wide proposal has been developed from the state’s public baccalaureate sector.

B. Faculty

Faculties have a wide range of opinions regarding distance education. The best picture of their thinking to date is provided by a national survey of 532 NEA university faculty members on the impact of distance education, undertaken in February and March 2000.¹¹

Faculty see two primary advantages to distance education: they believe that distance education will reach many students who could not otherwise take college courses, and they believe that distance learning will allow smaller institutions to offer a richer curriculum. These positive assessments are shared both by faculty who have taught distance education, and by those who have not.

Yet, faculty members also perceive two disadvantages to distance education. Interestingly, most faculty members do not anticipate that distance education will diminish the *quality* of instruction. Rather, they are concerned about the impact of distance education on their workload and their ownership of intellectual property rights in their course materials. Two-thirds of faculty surveyed in the NEA study believe that it is “extremely or very likely that in a distance learning course, faculty will be responsible for more students, that there will be more work for the same amount of pay, and that faculty will not be fairly compensated for their intellectual property.”¹² Faculty in the state of Washington, surveyed by the Washington Federation of Teachers, expressed similar hopes and concerns about distance education.¹³

VII. Future Concerns

The assimilation of distance education into Washington's public colleges and universities is proceeding at a strong, if uneven, pace. The key features of public distance education in Washington are *flexibility* and *diversity*. The Legislature has chosen to support the *flexible* adoption of distance education – promoting its development while refraining from standardizing costing methodologies and pricing, or from prescribing a particular mix or amount of distance education on each campus. Therefore, the hallmark of distance education has been *diversity*: It has developed in different ways at different campuses depending upon their market niche, the mission, and their existing human and technical resources.

Have students been well served by the state’s existing policy framework for distance education? In one important respect they have not. Even relatively mature and sophisticated students find it very difficult to negotiate the web environment, and to learn from it how distance education can meet their needs. For the individual student who is not enrolled at a college or university, learning what courses they need to complete their degree, where they can find distance education

¹⁰ SBCTC, “Community and Technical Colleges’ Online Campus.” September 7, 2000.

¹¹ “A Survey of Traditional and Distance Learning Higher Education Members,” Commissioned by the National Education Association, June 2000.

¹² Ibid, p. 39.

¹³ WFT Memo to HECB, August 2000.

courses to fit their academic needs, and how to pay for their schooling is a daunting prospect. Successful distance education requires more than courses and majors offered by individual institutions; it also requires an integrated network of supporting services. Washington has the beginnings of a network in Washington Online. As that system is further developed – particularly with the addition of student support services – the state should consider whether the interests of students would be better served if such resources were available to all higher education students, including those seeking to study for a baccalaureate or advanced degree.

Minimum Admissions Standards: HECB Admissions Policy for Freshman Admissions and Graduate School

December 2000

BACKGROUND

State law (RCW 28B.80.350) directs the Higher Education Coordinating Board (HECB) to establish *minimum* requirements for admission to Washington's public baccalaureate institutions. In the master plan for higher education adopted in December 1987, the Board described its vision of a new admissions policy:

This policy encourages access to higher education for all who might benefit, but recognizes that admission policies that encourage and sustain students who are under-prepared or mismatched is poor public policy.¹

The resulting *Minimum Requirements for Admission to Public Baccalaureate Institutions* policy focuses on the admission of (1) first-time students seeking admission to one of the six public baccalaureate institutions and (2) students entering the first year of graduate study. The policy, adopted in 1988 and amended in 1994 and 1998, retains open admissions at the community colleges while defining statewide minimum admissions standards for freshman and graduate admissions at the public baccalaureate institutions. Transfer student admissions policies are delineated separately by the institutions and through statewide transfer agreements.

The Board's minimum freshman entrance requirements for regular admission to a public baccalaureate institution are intended to increase the probability of entering students' success in college. The requirements include a prescribed high school curriculum and satisfactory high school grades and standardized test scores. Grades and test scores are combined in a three-to-one ratio to produce an admissions index number for each freshman applicant. Currently, available data show a strong relationship between the HECB admissions requirements and entrants' grades in the first year of college.²

Up to 15 percent of the freshmen enrolled and up to 10 percent of the students enrolled in an institution's graduate and professional schools at each of the six public baccalaureate institutions may be admitted using an alternative standard. In addition, alternative standards have been established for freshmen applicants 25 years of age or older if the student meets standards appropriate to his or her age and personal experience. These standards have been in place since 1994. Similar provisions were adopted in March 1998 for regular admission of first-time graduate students seeking initial entry with significant professional experience.

¹ *Building a System*, p. 30

² *Higher Education Coordinating Board Briefing on Freshman Admissions Policy*, 1994

The Board also has adopted competency-based minimum admissions standards in English, mathematics, science, and world languages to satisfy the statutory requirement of aligning minimum freshmen admissions standards with the Certificate of Mastery and essential academic learning requirements.

A NATIONAL PERSPECTIVE ON UNIFORM ADMISSIONS POLICY

The 1995 SHEEO report *College Admissions: A New Role for States* noted that until the early 1980s, colleges and universities (including those in Washington State) had historically set their own admissions requirements with relatively little involvement by the states (Rodriguez, 1995). The change in this practice was precipitated largely as a result of several reports citing the under-preparation of high school graduates for college. Improving student success in college, reducing the need for remediation, and ensuring timely graduation became common concerns. In the 1980s and 1990s, new roles for state agencies were created to support and guide institutional efforts to raise the admissions floor and develop uniform standards:

- All 50 states have some type of coordinating or governing board or combination of the two (27 coordinating boards, 20 governing boards, 3 combined governing/coordinating boards). States with governing boards exercise more authority over institutions than do states with higher education coordinating boards;³
- Thirty-four states have adopted admissions standards for first-time freshmen at public baccalaureate institutions beyond the institutional level;⁴
- Of the 34 states that have adopted standards, two states require a specific minimum test score on the ACT/SAT, as well as high school coursework and grade point average. Nineteen require an eligibility index that includes test scores;⁵
- The remaining 16 states are involved to varying degrees beyond the institutional level. Institutions in Maine, Michigan, Ohio, Pennsylvania, Vermont, and Wyoming set their own standards. Those standards include the use of test scores;⁶

A STATE PERSPECTIVE ON STUDENT PREPARATION

- Extensive HECB research has shown that students who study a challenging, college-preparatory high school curriculum are:
 - Better prepared for and transition to college more easily⁷;
 - Less likely to require remedial coursework⁸;
 - More likely to continue their studies and attain degrees.⁹

³ *Statewide College Admissions, Student Preparation, and Remediation Policies and Programs*, (State Higher Education Executive Officers, 1998), pp. 4-5

⁴ *Ibid.*, p. 3

⁵ *Ibid.*, pp. 8-9

⁶ *Ibid.*

⁷ *Higher Education Coordinating Board Briefing on Freshman Admissions Policy*, 1994

⁸ *Ibid.*

- The HECB adopted minimum admissions standards in 1988 that were intended to estimate an applicant's "probability of success." Since predictions of future success must be grounded on past achievements, courses in a traditional high school curriculum that correlate highly with success in college and the high school grade point average are the primary indicators of success in college. A standardized test score provides another indicator of potential success. The first two are a better predictor than the third, but the three together (with the final two combined in an index) produce the best probability of success;¹⁰
- The admissions index is working as intended as a predictor of first-year college students' grade point averages. However, the admissions index is not a good predictor of likelihood of students continuing their studies beyond the first year;¹¹
- Grade point averages for Washington State high school students have increased significantly at the highest range from 1988-1998 while the middle ranges have diminished significantly and the lowest ranges have remained flat:¹²
 - Range 3.50-4.00 – 31.6% to 52.1%
 - Range 3.00-3.50 – 44.7% to 32.0%
 - Range 2.50-3.00 – 21.2% to 13.3%
 - Range 2.00-2.50 – 2.5% to 2.6%
- SAT verbal and mathematics test score averages for Washington State high school students have increased only slightly from 1998-2000:¹³
 - 1996: Verbal – 519; Mathematics – 519
 - 2000: Verbal – 526; Mathematics – 528
- ACT composite test score averages for Washington State high school students have increased only slightly from 1998-2000:¹⁴
 - 1996: Composite – 21.7
 - 2000: Composite – 22.4

A NATIONAL PERSPECTIVE ON STUDENT PREPARATION

- High school graduation rates have remained flat:¹⁵
 - 86 percent in 1990
 - 85 percent in 1997
 - GED or other non-traditional diplomas have grown over the same period from 6 percent to 10 percent

⁹ Ibid.

¹⁰ Ibid.

¹¹ Ibid.

¹² *Higher Education Enrollment Statistics and Projections, 1999-2001 Biennium*, (Office of Financial Management), pp. B14-B15

¹³ www.collegeboard.org/sat/

¹⁴ www.act.org/news/data.html

¹⁵ *Achievement in America 2000*, The Education Trust, Inc.

- Students graduate from high school at different rates, 1998:¹⁶
 - 82% African American
 - 63% Latino
 - 88% White
- Most high school graduates go on to postsecondary opportunities (72% in 1997).¹⁷
- Students requiring extensive remediation earn degrees at lower rates:¹⁸
 - 54% – no remedial courses
 - 45% – 1 remedial course
 - 9% – more than 2 remedial courses
- African American and Latino 10th graders are less likely to be enrolled in a college-prep track:¹⁹
 - 25.7% African American
 - 22.6% Latino
 - 42.1% Asian
 - 34.1% White
- African American and Latino 10th graders are less likely to complete Algebra II and Geometry:²⁰
 - 61.2% African American
 - 54.4% Latino
 - 78.3% Asian
 - 54.4% Native American
 - 72.5% White
- High school curriculum as a measure produces a higher percentage earning B.A.s than do either test scores or class rank/GPA.²¹
- A composite of the three produces a much steeper curve toward bachelor degree completion than socio-economic status.²²
- The impact on degree completion is far more positively pronounced for African-American and Latino students who enroll in a high school curriculum of high academic intensity and quality than it is for white students.²³

¹⁶ Ibid.

¹⁷ Ibid.

¹⁸ Ibid.

¹⁹ Ibid.

²⁰ Ibid.

²¹ Clifford Adelman, *Answers in the Tool Box*, (U.S. Department of Education, 1999), pp. vi-vii.

²² Ibid., p. vii

²³ Ibid.

A NATIONAL AND STATE PERSPECTIVE ON STANDARDIZED TESTS FOR THE YEAR 2000

National SAT Program Test Takers

	SAT I Mean Scores				
	Male	Female	Total	Verbal	Math
Students with SAT I Scores	583,331	676,947	1,260,278	505	514
American Indian/Alaskan Native	3,504	4,154	7,658	482	481
Asian/Asian American/Pacific Islander	46,207	50,510	96,717	499	565
African-American	48,764	70,827	119,591	434	426
Mexican/Mexican-American	19,084	25,837	44,921	453	460
Puerto Rican	5,962	8,185	14,147	456	451
Latin American/South American/ Central American/Other Hispanic or Latino	16,142	22,662	38,804	461	467
White	324,108	387,997	712,105	528	530
Other	16,533	22,101	38,634	508	515
No Response	103,027	84,674	187,701	495	509

Washington SAT Program Test Takers

	SAT I Mean Scores				
	Male	Female	Total	Verbal	Math
Students with SAT I Scores	13,737	16,162	29,874	526	528
American Indian/Alaskan Native	129	196	325	482	483
Asian/Asian American/Pacific Islander	1,283	1,600	2,883	495	544
African-American	401	443	844	454	443
Mexican/Mexican-American	259	308	567	478	476
Puerto Rican	25	38	63	527	498
Latin American/South American/ Central American/Other Hispanic or Latino	110	142	252	508	498
White	9,088	11,151	20,239	535	532
Other	344	543	887	551	532
No Response	11,639	14,421	26,060	526	526

National ACT Program Test Takers

				ACT Composite Mean Score
	Male	Female	Total	Score
Students with ACT Scores	455,817	604,646	1,060,646	21.0
Native American/Alaskan Native			10,976	19.0
Asian/Asian American/Pacific Islander			35,479	21.7
African-American			110,617	17.0
Mexican/Mexican-American			41,414	18.6
Puerto Rican/Hispanic			16,401	19.5
White			762,017	21.8
Not Reported			83,559	N/A

Washington ACT Program Test Takers

				ACT Composite Mean Score
	Male	Female	Total	Score
Students with ACT Scores	3,870	6,208	10,078	22.4
Native American/Alaskan Native			97	20.0
Asian/Asian American/Pacific Islander			731	21.9
African-American			344	18.0
Mexican/Mexican-American			259	19.2
Puerto Rican/Hispanic			60	20.4
White			7,394	22.6
Not Reported			1193	N/A

University of Washington SAT Program Test Takers

	African-American	American Indian	Hispanic	Pacific Islander	Total
# Washington Graduates – 2000	1,768	1,058	3,621	***	6,447
# Washington Test Takers – 2000	844	325	882	***	2,052
# SAT Takers w/Scores to UW – 2000	333	126	411	***	871
# Applied to UW – 2000	233	83	239	28	585
# Offered Admission to UW – 2000	188	73	193	24	480
# Enrolled 10th Class Day at UW – 2000	108	42	104	18	274

HIGHER EDUCATION COORDINATING BOARD MASTER PLAN INITIATIVES UPDATE

December 2000

BACKGROUND

When the Higher Education Coordinating Board (HECB) officially presented the 2000 Master Plan in January, the members indicated that they would actively pursue implementation of the goals and strategies that comprised the core of the plan.

At that time, the Board's Master Plan subcommittee began to function as a strategic planning committee, to monitor implementation, regularly reassess the HECB goals, and recommend revisions of the goals and strategies as needed.

Since then, the Board has reorganized its committee structure and primary responsibility for overseeing Master Plan issues has been assigned to the Planning and Policy Committee, which has directed the staff to prepare this summary for the full Board.

GOAL	PROJECT	ACTION
Goal 1: Focus on Student Learning	<i>Competency-Based Degrees (Student Learning Performance Measures for Baccalaureate Degrees and Transfer Associate Degrees)</i>	<p>HECB adopted a 2001-03 Operating Budget request that will take a multi-campus approach in establishing and measuring fundamental student learning outcomes associated with general education, a competency-based statewide transfer associate degree, and three competency-based baccalaureate degrees.</p> <p>During the 1999-2000 academic year, an inter-institutional planning group, including HECB and Council of Presidents representatives, worked to develop three student learning performance measures:</p> <ul style="list-style-type: none">• Writing• Information/Technology Literacy• Quantitative Reasoning <p>The planning group will continue to work on these measures. A feasibility report for the information/technology literacy project is due to the Legislature in January 2002, under the terms of legislation (HB 2375) enacted in 2000.</p> <p>In the October 2000 HECB Accountability Report, the Board recommended the Legislature and Governor include a priority for the 2001-03 Fund for Innovation for projects that support the student learning performance measures.</p>

GOAL	PROJECT	ACTION
	<i>Competency-Based Admissions Standards</i>	<p>The HECB initiated a pilot project with teachers at four high schools (Selah, Mountlake Terrace, Kamiakin, and Lake Washington) to help with refinement of the competency-based admissions requirements and establish levels of proficiency for them. This project had been primarily funded by two federal grants that expired in June 2000. Funding provided by OSPI, SBCTC and four-year institutions has allowed this project to continue through June 2001.</p> <p>HECB adopted a 2001-03 Operating Budget request to expand from 4 to 12 the number of high schools involved in this project. The request included funding for a student follow-up system to monitor student success at the postsecondary level and the relationship of student success to high school preparation.</p>
Goal 2: Link K-12 and Higher Education	<i>Competency-Based Admissions Standards</i>	In coordination with administrators and faculty at public schools and baccalaureate institutions, HECB will expand the Competency-based Admissions Standards during the 2001-03 biennium if the Legislature funds this project.
	<i>Strategies and Partnerships to Increase Diversity</i>	The HECB will seek information to support new strategies and partnerships to increase participation in postsecondary education of traditionally under-represented groups. The HECB will consider a report on diversity in the public higher education system in March 2001. The HECB is a partner in the College Awareness Project with the four-year institutions, OSPI and SBCTC to reach students in the K-12 system and build awareness of college opportunities and requirements.
	<i>Opportunities to Build Transitions between K-12 and Postsecondary Education</i>	The HECB has requested that the baccalaureate colleges of education report on the quality of teacher education as one effort to look for opportunities to build strong and seamless transitions between K-12 and postsecondary education.
	<i>K-16 Partnership Innovation</i>	The HECB will continue to develop a K-16 partnership innovation initiative in collaboration with OSPI and postsecondary institutions. This initiative may include grants to school districts and postsecondary institutions to develop innovative strategies to enrich curriculum and create seamless transition among grades 11 and 12 and the first year of college.

GOAL	PROJECT	ACTION
	<i>GET Incentive Linked with the Washington Promise Scholarship</i>	In 2001, the HECB will again support the Governor's proposal to enact the Promise Scholarship in statute as a permanent component of state financial aid programs. Earlier, the Board determined that permanent enactment of the program should precede establishment of a further Promise Scholarship-related initiative.
Goal 3: Empower Higher Education Consumers	<i>HELLO Network</i>	The HECB adopted the 2001-03 Operating Budget request to develop the Higher Education Life-long Learning Project. Work has begun on phase one of the project to develop web-based graphic presentation elements and printed materials for dissemination to diverse audiences.
	<i>Course Applicability System</i>	The HECB budget request also included a proposal to develop the Course Applicability System to help students learn on-line which of their courses from the two-year system will transfer (and which will not) to the baccalaureate institutions.
Goal 4: Use E-learning Technologies to Create Education Opportunities	<i>Promote the Use of E-Learning Technologies</i>	The HECB has completed a faculty and staff e-learning needs assessment and an inventory of existing training efforts. The results of this survey will be shared with the Board and the institutions to help with training initiatives.
	<i>Facility Utilization Review</i>	The HECB capital budget planning guidelines include two related goals: 1) that by 2010 the average FTE student will receive 1.5 lecture contact hours through e-learning; and 2) that public colleges and universities will use classroom stations an additional two hours per week beyond current rates.
Goal 5: Help Colleges and Universities meet Student Needs and Compete	<i>Barriers to Student Learning and Institutional Competitiveness (Rules Review)</i>	<p>The HECB staff has met with stakeholders to identify barriers to student learning and institutional competitiveness. The list has been organized into four categories:</p> <ul style="list-style-type: none"> • Obstacles where corrective action has been recommended; • Obstacles and possible solutions that are currently being studied; • Laws, rules and policies that need explanation and clarification; and • Subjects that require future study. <p>The stakeholders group will be reconvened to consider future action.</p>

GOAL	PROJECT	ACTION
	<i>Budget Incentives for Productivity, Partnerships, and Full Use of Facilities</i>	The HECB adopted budget guidelines containing these incentives.
	<i>Centers of Excellence</i>	Institutions are pursuing a number of initiatives to strengthen their centers of excellence.

RE-DESIGNING THE HECB DEGREE APPROVAL PROCESS

Briefing Paper

December 2000

OVERVIEW

In its 2000 Master Plan, the Higher Education Coordinating Board made a commitment to help colleges and universities meet student needs and compete in an increasingly complex marketplace. As part of its effort to fulfill this commitment, the HECB has worked with the public baccalaureate institutions to improve the process through which the Board approves new degree programs and the extension of existing programs to new locations or distance learning technologies.

Over the past six months, HECB staff members have worked with members of the Inter-institutional Committee for Academic Program Planning (ICAPP) of the four-year Council of Presidents, and other administrators, faculty, and staff to re-design the HECB degree approval process.

This briefing paper reviews the goals, underlying policy principles and key issues raised during this process. Finally, it includes HECB staff recommendations to significantly streamline the system while retaining the benefits to the state of the Board's continued involvement in degree approval. **The provosts of the public baccalaureate institutions have endorsed the recommendations and expressed their support for the direction the Board is taking in exercising its degree approval responsibilities.**

Goals

- Increase institutional flexibility to respond to a rapidly changing educational environment;
- Promote greater innovation, collaboration among institutions, and high quality degree programs;
- Reduce the amount of time, staff resources and paper flow required for the approval process; and
- Develop a more performance-based process that focuses on student learning outcomes and program effectiveness.

Policy Principles

The members of the HECB believe that the degree approval and program review process should support the following policy objectives:

- Ensure that programs offered by the public baccalaureate institutions meet state needs, are free from unnecessary duplication, and are appropriate in terms of cost and diversity;
- Foster high-quality, innovative instructional programs that provide quality learning opportunities for students and that enable students to complete their studies in a reasonable amount of time;
- Support the unique role and missions of the individual institutions;
- Respond effectively to the state's economic and social needs; and
- Recognize that institutional governing boards are accountable to the state and the public to
 - 1.) develop degree programs and assess the academic quality and integrity of the curriculum;
 - 2.) evaluate the capacity of the institution to offer the programs efficiently; and
 - 3.) make the wisest use of resources.

Recommendations

- **Expedite the approval process for new degrees by establishing a three-month limit** for the HECB to review and act on institutions' proposals, and for other institutions to comment on new degree proposals. The current process allows for a six-month review period.
- **Streamline and reduce to 30 days the HECB's review of institutions' plans** to offer existing main-campus degree programs at branch campuses or off-campus locations, or by distance learning technologies or a combination of delivery methods. Currently, this review can take up to six months. The HECB would use the Internet to allow other institutions to comment on a proposal to extend an existing program.
- **Simplify the universities' planning process** by reducing their four-year academic program plans to two-year academic program plans.
- **Delegate approval authority to the HECB Executive Director** for existing main-campus programs proposed to be offered at a branch campus or off-campus location, or by distance learning technologies or a combination of delivery methods.

The recommendations support a degree approval process that is faster, more flexible, and more relevant to the state's rapidly-changing higher education environment. Specifically, they support a "fast track" degree approval process, which would assess performance-based outcomes such as enrollment and graduation patterns, alumni and employer satisfaction, student learning outcomes, and placements in business and industry, or advanced studies.

HECB STATUTORY AUTHORITY

State law directs the HECB to approve new degree programs to be offered by the public four-year colleges and universities. As specified in RCW 28B.80.340, the Board shall:

- (1) Approve the creation of any new degree programs at the four-year institutions and prepare fiscal notes on any such programs;
- (2) Review, evaluate, and make recommendations for the modification, consolidation, initiation, or elimination of on-campus programs, at the four-year institutions; and
- (3) Review and evaluate and approve, modify, consolidate, initiate, or eliminate off-campus programs at the four-year institutions.

The State Board for Community and Technical Colleges performs a similar function for the community and technical college system.

During 1998 and 1999, the Board approved 44 proposed degree programs and the institutions terminated 14. During 2000, the Board will have approved about 25 proposed degree programs. For 2000 and 2001, the board granted permission or "pre-approval" to 117 planned degree programs.

Degree approval is directly related to the Board's overall statutory responsibility. According to RCW 28B.80.320, the purpose of the Board is “. . . to provide planning, coordination, monitoring, and policy analysis for higher education . . . The legislature intends that the Board represent the broad public interest above the interests of the individual colleges and universities.” To fulfill this mission, the Board works to ensure that new programs are needed, will serve the broad public interest, and represent a sound investment of state resources. Furthermore, the Board strives to ensure that existing programs are meeting the needs of students and are improving in quality.

STATE BENEFITS

HECB staff examined the HECB statute and process, reviewed policies and practices in other states, and held in-depth discussions with college and university representatives. They concluded that the degree approval process contributes to the well-being of the state, its citizens, its academic institutions, and its students. Specifically, it:

- **Reduces unnecessary duplication** of academic program offerings while promoting equitable student access to learning opportunities;
- **Promotes program quality** by ensuring that all of the baccalaureate institutions have the opportunity to review and suggest improvements to each proposal for a new or expanded degree program;
- **Focuses on student success** by incorporating accountability measures and criteria for the assessment of student learning;
- **Addresses employer needs** from a statewide perspective;
- **Helps identify struggling programs** by periodically reviewing institutional enrollment patterns, graduation rates, and other factors;
- **Increases inter-institutional** communication, partnerships, and resource sharing through the development and approval of academic program plans; and
- **Provides a statewide picture** of degree offerings and plans for future offerings.

COSTS AND CONCERNS

HECB staff and institutional representatives have identified the following costs and concerns associated with the degree approval process. Specifically:

- **Institutional Staff Time.** A significant amount of institutional staff time is required to prepare plans and proposals and to review and comment on the plans and proposals of other institutions. Perhaps more significantly, a large investment of staff work is needed to complete the campus-based approval processes that must take place prior to submission of plans and proposals to the state. Universities' internal deliberations about new degree programs often require over a year of planning and review before the proposals are submitted to the HECB.
- **HECB Staff Time.** The HECB staff dedicates substantial staff time to work with the Board to administer the degree approval and program review process.

- **Program Delays.** The degree approval process can delay the start of needed academic programs.
- **Institutional Autonomy.** Colleges and universities lose some autonomy in this and other external approval processes.

THREE-STEP PROCESS

The Board currently uses a three-step degree approval process known as “program planning, approval, and review.”

1. **Program Planning.** Every two years, the Board reviews each baccalaureate institution’s plan for degree programs proposed to be offered over the next four years. The Board takes one of three actions on these plans. It either 1.) grants permission or “pre-approval” to the institution to develop a proposal for the new degree program, 2.) returns the program the institution for further work, or 3.) disapproves the program.
2. **Approval.** At least six months prior to the anticipated start date of the program, the Board considers the institution’s formal proposal for the program and either grants approval, conditional approval, or disapproval. Every new degree proposal is also reviewed by the other baccalaureate institutions, and their responses have a significant impact on the HECB staff’s evaluation.
3. **Review.** Every two years, the Board also considers each institution’s report summarizing its review of existing programs. If a program is struggling with low enrollment, low graduation rates, or poor quality, the Board may recommend that it be modified or eliminated.

ADVANTAGES AND DISADVANTAGES

During the HECB staff review of the process, some participants suggested that the Board allow institutions to respond without state oversight to market forces and pressures for new or extended programs. Participants also weighed the possible implications of a termination of the process against the perceived benefits of an amended and streamlined system for degree approval.

Following are the possible advantages and disadvantages of the HECB seeking legislation to eliminate its degree approval responsibilities:

Advantages

- Institutions would gain greater autonomy and increased responsibilities for implementing a quality program.
- Degree programs could be delivered faster, immediately after going through the sponsoring institution’s one- to two-year internal approval process.
- Staffing requirements would be reduced.
- The HECB would be perceived as giving up a burdensome “regulatory” function.

Disadvantages

- The state would have no simple mechanism to prevent the establishment of unnecessarily duplicative programs and the inefficient use of state funds.
- Institutions would lose an important forum for commenting upon and encouraging constructive revisions to proposals from other baccalaureate institutions.
- The state would lose opportunities to 1.) promote statewide, student-focused priorities for new degrees, in areas such as information technology, teacher training or health care, 2.) encourage collaboration and complementary degree offerings before new degree proposals were fully developed, 3.) conduct long-term, statewide academic program planning, and 4.) monitor program performance, including enrollments, graduation rates and student learning outcomes.

RECOMMENDATIONS TO RE-DESIGN THE PROGRAM APPROVAL PROCESS

Planning

EXISTING PROCESS	PROPOSED PROCESS
<ul style="list-style-type: none"> • Institution submits a biennial four-year plan to the HECB • Pre-approved program has no expiration date • The HECB grants pre-approval for a planned program. 	<ul style="list-style-type: none"> • Institution submits a biennial two-year plan to the HECB • Pre-approved program sunsets after three years if no proposal is submitted to HECB • HECB grants permission to develop a proposal for a planned program.

Approval Process for New Degree Program

EXISTING PROCESS	PROPOSED PROCESS
<ul style="list-style-type: none"> • The HECB approves a new degree program. • The institution submits a proposal for a new degree program to the HECB <i>at least six months</i> prior to the proposed start date of the program. • The public four-year institutions and HECB staff have no specified review and comment period for commenting on a proposed new degree program. • The HECB approves an existing degree program to be offered at a branch campus, a new off-campus location, via distance learning technologies, or a combination of delivery methods. 	<ul style="list-style-type: none"> • A new degree program is placed on the consent agenda and approved by HECB. • The institution submits a proposal for a new degree program to the HECB <i>at least three months</i> prior to the proposed start date of the program. • The public four-year institutions and HECB staff have 30 days to comment on a proposed new degree program. • The HECB Executive Director approves an existing degree program to be offered at a branch campus, a new off-campus location, via distance learning technologies, or a combination of delivery methods.

RECOMMENDATIONS TO RE-DESIGN THE PROGRAM APPROVAL PROCESS (continued)

Approval Process for Existing Degree Program

EXISTING PROCESS	PROPOSED PROCESS
<ul style="list-style-type: none"> • An institution submits a proposal for an existing degree program to be offered at a branch campus, a new off-campus location, via distance learning technologies, or a combination of delivery methods to the HECB <i>at least six months prior to the proposed start date of the program.</i> ➤ The proposal includes the following information: <ul style="list-style-type: none"> - Name of institution - Degree title - Delivery mechanism - Location - Implementation date - Extensive documentation of need - Source of funding and budget - Year 1 and full enrollment targets - Expected time-to-degree completion - Diversity and assessment plans - Assurance that internal reviews attest to the quality of the program 	<ul style="list-style-type: none"> • An institutions submits a Notification of Intent for an existing degree program to be offered at a branch campus, a new off-campus location, via distance learning, or a combination of delivery methods <i>at least 45 days prior to proposed start date of the program.</i> ➤ The Notification of Intent includes the following information: <ul style="list-style-type: none"> - Name of institution - Degree title - Delivery mechanism - Location - Implementation date - Substantive statement of need - Source of funding - Year 1 and full enrollment targets
<ul style="list-style-type: none"> • The institution sends its proposal to other public four-year institutions for review and comment. 	<ul style="list-style-type: none"> • The HECB posts the institution’s Notification of Intent on its Web site within five business days of receipt, and notifies the public four-year institutions.
<ul style="list-style-type: none"> • The public four-year institutions and HECB staff have no specified time period to review and comment on the proposal. 	<ul style="list-style-type: none"> • The public four-year institutions and HECB staff have 30 days to review and comment on the Notification of Intent.
<ul style="list-style-type: none"> • If there is no controversy, the program is placed on the Board’s consent agenda for approval. • If there is controversy, the HECB uses its dispute resolution process. 	<ul style="list-style-type: none"> • If there is no controversy, the HECB Executive Director approves the program. • If there is controversy, the HECB uses its dispute resolution authority.
<ul style="list-style-type: none"> • Institutions review existing programs on a departmental, school, or college-wide basis. 	<ul style="list-style-type: none"> • When an existing program has spawned a new site or a new distance learning modality since its last institutional review, the new site or distance delivery mode will receive a separate focus within the review.

MASTER PLAN ENROLLMENT & CAPITAL RE-EXAMINATION Final Draft Report – Executive Summary

December 2000

The 2000 Master Plan for Higher Education

Every four years, the Higher Education Coordinating Board is directed under state law to prepare a Master Plan that assesses the state's higher education needs and recommends enrollment and other policies to meet those needs. The most recent Master Plan was presented to the 2000 Legislature. The plan described three components of change by 2010 in the level of student enrollment at colleges and universities in Washington:

- To maintain the current rate of service to a growing population, the plan recommended the state add 36,300 average annual full-time enrollment slots (FTEs) in the public colleges and universities between 2001 and 2010. These enrollment openings would be in addition to the 209,000 FTEs supported by the state during the 2000-2001 academic year. About 75 percent of these enrollments would be for lower-division instruction at the public colleges and universities. These additional enrollments are not necessarily a projected increase in student demand. Rather, they represent the additional FTEs needed to maintain current rates of participation, as the size of the student-age population grows.
- To extend the opportunity for a greater share of students to receive upper division, graduate and professional instruction, the plan recommended adding an additional 16,200 FTEs during the decade. This increase, the Board estimates, would enable Washington to reach the national average for participation in upper-division education by the end of the decade. As of 1997, Washington ranked 46th nationally in the percentage of adults who were receiving upper-division instruction, according to calculations by the HECB and the state Office of Financial Management.
- The Master Plan also identified 18,400 additional non-state supported enrollments that are projected to be added through 2010 at the independent colleges and universities and private career schools (13,500 FTEs), and through increased self-supported enrollments (4,900 FTEs) at the public institutions.

The Master Plan recommendations were supported by business organizations, students and others who cited Washington's rapidly growing need for highly trained teachers, health care professionals and information technology specialists, many of whom require bachelor's degrees or advanced instruction. The HECB had extensive conversations with business representatives, colleges and university leaders and citizens in an effort to align the enrollment recommendations with the needs and opportunities presented by Washington's fast-growing economy and increasing population.

The Legislative Response to the Master Plan

The prospect of providing appropriations to support 52,500 new publicly funded college enrollments by 2010 represents a serious financial challenge to Washington State. Thus, the Legislature sought to receive more information about these enrollment goals.

In its resolution accepting the Master Plan (Senate Concurrent Resolution 8425), the Legislature included directives for the HECB to re-examine its enrollment and capital assumptions, to contemplate various growth scenarios, and to examine alternatives to address the identified budget needs. The HECB also was to further examine the role of the community and technical colleges in meeting the state's long-term needs.

Lawmakers directed the HECB to address these tasks in collaboration with the Office of Financial Management and the public and independent two-year and four-year colleges and universities, private vocational schools, and appropriate legislative committees. Ultimately, more than 60 people participated in the re-examination process including staff from the Legislature, OFM, the State Board for Community and Technical Colleges, the Workforce Training and Education Coordinating Board, the Council of Presidents, the Washington Association of Independent Colleges and Universities, and the state's individual higher education institutions.

Key Findings from the Master Plan Capital Re-examination

The HECB staff and representatives of colleges and universities reviewed several of the planning standards used in the 2000 Master Plan to estimate the long-term cost of increased public higher education enrollments, including methods of estimating capital space needs and the projected costs of serving additional students by 2010.

The Board adopted the work group's findings in July 2000. Among the group's conclusions were the following:

- While the actual future costs of accommodating additional students can be precisely estimated only on a project-by-project basis, the Master Plan provides an "order of magnitude" analysis of future higher education capital needs.
- The consensus of the group was that the planning standards used in the Master Plan represented a reasonable basis for arriving at an estimate of space and capital needs associated with enrollment growth through 2010.
- Some work group members felt the higher space utilization goals in the Master Plan would be difficult to achieve, while others felt the same goals were not challenging enough and that greater efficiencies should be sought. Similarly, some felt the Board's goal for expanded e-learning was quite easily attainable, while others were uncertain about the implications of increased e-learning on space needs and facility use.

- Throughout its discussions, the work group also advised the HECB staff on the development of a single, prioritized ranking method for HECB capital budget recommendations for the 2001-03 biennium.

Key Findings from the Master Plan Enrollment Re-examination

The re-assessment of the enrollment projections used in the Master Plan produced a number of findings about long-term influences on higher education enrollment, which are described in this section. In a later section, the report examines the findings related to enrollment patterns during the 1999-2000 academic year and preliminary information about fall 2000 enrollments. Long-term findings include the following:

- Demographics are the primary driver of higher education enrollment levels. OFM periodically updates its analysis of the age and gender makeup of Washington's population and the number of enrollments required to maintain the current level of opportunity. Since the HECB Master Plan was released, OFM released new calculations in May 2000 that are approximately 3 percent below the projections in the Plan. OFM is in the process of updating these estimates again. It is expected that these new projections will also be very close to those in the HECB Master Plan.
- Many forces may increase the demand for higher education enrollment during the decade leading to 2010, beyond the level needed to maintain the current service level. These include (1) factors related to the state's economy; (2) the growth and demographic characteristics of the population; and (3) specific policies pursued by the Legislature and Governor. Work groups convened for this project examined these factors, and their findings are summarized below.
- Several forces might decrease demand for public higher education in Washington. These could include student decisions to pursue job opportunities rather than education in the state's fast-growing economy; tuition and financial aid policies that significantly increased the net cost to students of a college education; or significant, unexpected increases in enrollment in programs offered by non-public providers. But these factors are very difficult to forecast and are not expected to have as significant an impact on statewide enrollment patterns as do major demographic forces such as the size and age of the population.
- This project has prompted renewed scrutiny of the role of the community and technical colleges in meeting Washington's education and job training needs. The state should consider increasing enrollments beyond the "carry-forward" level by 2010 for job-related instruction in the two-year system, as well as for baccalaureate and advanced degree programs whose graduates are in demand among employers. In addition, many immigrants will need expanded access to the English as a Second Language programs provided through the two-year colleges. In the short term, enrollment pressure within the public higher education system appears likely to be greatest at the community and technical colleges located in urban and suburban areas.
- While higher education enrollment is expected to increase significantly by 2010, this increase will not manifest itself in a "straight-line" progression. Currently, enrollments appear to be

increasing more slowly in the baccalaureate institutions than they will later in the decade. In fact, enrollment at two of the public baccalaureate institutions was below the budgeted level during 1999-2000, a trend that appears to be continuing in the current academic year. It is reasonable to expect relatively slow enrollment growth at the baccalaureate institutions in the next two years, coupled with somewhat faster increases in the community and technical colleges. This pattern is consistent with OFM's revised projections of the enrollment required to maintain the current level of opportunity through 2010. It is important to note that long-term enrollment forecasts are regularly revised, and are not intended to predict short-term changes in student behavior.

- Throughout all the discussion of enrollment options and alternatives, it is important to recognize that higher education enrollment increased significantly during the 1999-2000 academic year. The baccalaureate college and universities added more than 800 FTE students, and were within two-thirds of 1 percent of budgeted enrollment. The community and technical colleges added more than 3,800 FTEs and were nearly 4 percent over the budgeted level.

The Enrollment Forecasting Process: Lessons Learned

The HECB's re-examination of the components of the 2000 Master Plan includes a discussion of the factors that contributed to the enrollment experience in 1999-2000; a preliminary look at fall 2000 enrollments; and discussions of the demographic, economic and policy variables that may affect future enrollment levels.

The process revealed – or re-emphasized – a number of important observations about the challenges and pitfalls of the business of forecasting college and university enrollment. For example:

- OFM's projections of the enrollment increases needed to maintain the current rate of opportunity (current participation rate) are based solely on demographic factors – the age and gender makeup of the population – that are calculated by OFM. These estimates will be revised over time as demographic data changes.
- While demographics will remain the primary driver of overall enrollment levels, economic fluctuations or state policy initiatives can produce significant short-term effects. In addition, notwithstanding the best efforts of institutions, there are aspects of student decision-making that cannot be forecast or controlled. Student behavior is likely to continue to confound the best projections in the short term, but demographics will determine enrollment levels over the long-term.
- The state faces a choice about how to prepare for the enrollment increases that are forecast during the decade: by planning to expand physical and program capacity, or by waiting for a demonstration of demand by students that exceeds the capacity of institutions. The HECB recommends the first approach, rather than placing the state in a reactive mode in which it will be more difficult to meet the needs of students, communities or institutions.

Enrollment Patterns in 1999-2000

As part of the Master Plan re-examination, the HECB and its partners spent considerable time studying the public colleges and universities' enrollment experience in 1999-2000. This information has been augmented by new data from fall 2000 enrollments. There are several key findings:

- Higher education enrollment increased substantially in the 1999-2000 academic year, but it did not increase as much as planned. The baccalaureate institutions were within two-thirds of 1 percent of budgeted enrollment levels, and the community and technical colleges over-enrolled by almost 4 percent.
- Community and technical college enrollments were strong in 1999-2000 and remain so this fall at most campuses. Various factors, such as the colleges' efforts to expand technical job training and rapidly increasing demand for English as a Second Language courses, are likely to drive community and technical college enrollment increases higher than the 20,900 FTEs called for in the Master Plan.
- The public institutions have taken corrective action in response to the 1999-2000 academic year enrollment experience, and successfully dealt with two of the three identified causes of under-enrollment at the two baccalaureate institutions: the rate of enrollment of recent high school graduates and the average course load for students. The third cause of under-enrollment, a lower-than-expected number of transfer students, appears to be continuing during fall 2000 at some universities.
- All the public institutions are actively reaching out to prospective students and are collaborating on a major outreach initiative proposed for funding in the 2001-2003 biennium. These efforts are more likely to affect long-term enrollment patterns than to alter prospective students' decisions in the next year or two.

RESOLUTION NO. 00-63

WHEREAS, The Washington State Legislature approved Engrossed Substitute Senate Concurrent Resolution 8425, commending the Higher Education Coordinating Board for its work in producing the 2000 update of the Master Plan for Higher Education, *The 21st Century Learner, Strategies to Meet the Challenge*; and

WHEREAS, The Legislature directed the Board and its staff to refine and re-examine its assumptions and forecasts of enrollment growth and related capital needs of the state's public colleges and universities, including the role of the community and technical colleges in accommodating additional higher education students; and

WHEREAS, At its meeting on July 26, 2000 the Board accepted final conclusions related to the capital planning assumptions in the Master Plan, and directed staff to continue working with the institutions and other interested parties to complete the re-examination of enrollment issues; and

WHEREAS, The study team and work groups have continued to meet and discuss enrollment issues, including the enrollment experience in the 1999-2000 academic year and the preliminary enrollment data for the fall 2000 term; and

WHEREAS, The study team has completed a series of findings and conclusions that are described in a final report now being prepared for presentation to the Legislature and the Office of the Governor; and

THEREFORE, BE IT RESOLVED, That the Higher Education Coordinating Board endorses the work of the study team and its findings regarding enrollment analysis and related issues, as presented at the Board's December 6, 2000 meeting; and

BE IT FURTHER RESOLVED, That the HECB directs staff to work with the study team to complete the final report for submission to the appropriate members and committees of the Legislature and the Office of the Governor, and to the institutions and organizations that have been involved in the development process; and

BE IT FURTHER RESOLVED, That the Board directs staff to continue working with the institutions to build a better understanding of enrollment issues and to provide periodic updates on enrollment experience and the Master Plan enrollment goals; and

BE IT FURTHER RESOLVED, That the Board express its sincere appreciation to the many people who have participated in the discussions and analysis regarding enrollment analysis and planning, and looks forward to further discussion of this important subject.

Adopted:

December 6, 2000

Attest:

Bob Craves, Chair

Kristi Blake, Secretary

UPDATE--FALL 2000 ENROLLMENT EXPERIENCE

December 2000

SUMMARY

- In total, the four-year institutions are within two-tenths of one percent (170 below the 84,855 target) of budgeted enrollment, with substantial variation among institutions.
- OFM estimates (based on historical patterns across the year) that baccalaureate institutions will add 1,907 new FTE students in fiscal year 2001 compared to last year. However, four of the baccalaureate institutions expect mitigating factors will reduce that estimate by about 50 annual average FTEs, resulting in an annual increase closer to 1,850.
- Preliminary data from the community and technical colleges indicate that FTE enrollment should be above budgeted levels of 123,762.

COMPARISON OF FY2001 (BASED ON FALL 2000) BACCALAUREATE ENROLLMENT TO FY2001 BUDGET AND FY2000 ACTUAL

	FY2000 <u>Actual</u>	FY2001 <u>(Fall 2000)</u>	Difference <u>FY2001-00</u>	FY2001 <u>Budget</u>	FY2001 <u>(Fall 2000)</u>	Difference <u>Est-Budget</u>
CWU	7,463	7,292	-171	7,867	7,292	-575
EWU	7,712	8,065	+353	7,864	8,065	+201
TESC	3,697	3,732	+35	3,713	3,732	+19
UW	34,058	34,832	+774	34,688	34,832	+144
WSU	19,008	19,460	+452	19,872	19,460	-412
WWU	<u>10,841</u>	<u>11,304</u>	<u>+464</u>	<u>10,851</u>	<u>11,304</u>	<u>+453</u>
Total	82,778	84,685	<u>1,907</u>	84,855	84,685	<u>-170</u>

DISCUSSION

As was the case last year, actual enrollment experience is not offering a clear explanation of new or emerging trends in student choices or behavior.

- Two baccalaureate institutions did not meet budgeted levels, one is right on target, and three enrolled additional students.
- Geographic location is not an explanation since both west side UW branch campuses and west side CWU upper division centers are below budgeted levels, and EWU-Cheney is above budgeted levels.

- Reversing last year's experience, average course loads have increased and are returning to historical levels. Institution efforts to improve advising and registration processes have been effective.
- The capture rate in baccalaureate institutions of recent high school graduates seems higher than last year. Preliminary data suggests the number of graduates was smaller than anticipated but the capture rate higher.
- The primary cause of the shortfall is fewer transfers, even though the number of transfer-ready students is increasing. This fall-off in transfers might be explained by the availability of attractive job opportunities, or by students going to other institutions (private, non-traditional, out-of-state) that we cannot track.

SUMMARY OF INDIVIDUAL BACCALAUREATE INSTITUTION FALL 2000 ENROLLMENTS

1. **Central Washington University:** Enrollment is below last year, and 575 below the budgeted level. CWU had a large class of graduating seniors in spring 2000, and planned to offset this with a large class of new freshmen. New freshmen numbers were below target, but the number of community college transfer and new graduate students actually declined. Transfers are down at Ellensburg and the west-side centers, indicating the shortfall is not geographic in nature. CWU will be putting together a plan to invest in increasing enrollment of all types of students, and will be revising their enrollment budget request for the next biennium. CWU expects the average annual FTE will be 33 higher than historical patterns would suggest.
2. **Eastern Washington University:** Enrollment is up from last year and 201 over the budgeted level.
3. **The Evergreen State College:** Enrollment is above last year, and 19 above the budgeted level.
4. **University of Washington:** Enrollment is well above last year, and 144 above the budgeted level. This is a combination of 296 additional FTE at the Seattle campus, while Bothell and Tacoma are 106 and 46 below the budgeted level, respectively. The Seattle campus has enrolled a large freshmen class, while the number of transfer students entering the branch campuses is lower than expected. UW expects both branch campuses to exceed these estimates: Tacoma by 29 and Bothell by 17.
5. **Washington State University:** Enrollment is up from last year, but 413 below the budgeted level. This is a combination of 374 below at Pullman, 57 below at Spokane, 10 below at Vancouver, and 28 above at Tri-Cities. The shortfall is in all types of students: freshmen, transfer and continuing. WSU expects the shortfall at Spokane will be 31 rather than 57.
6. **Western Washington University:** Enrollment is well above last year, and 454 above the budgeted level. This includes a definitional correction that adds 180 FTEs to Western's enrollment to include student teachers. Western has enrolled the largest freshmen class in 101 years and has implemented a new scheduling approach to increase physical capacity. WWU expects enrollment for the year to be 153 below the OFM estimate.

Proposed Fiscal Year 2001 Supplemental Operating and Capital Budget Recommendations

December 2000

BACKGROUND

One of the duties of the Higher Education Coordinating Board (HECB) is to recommend higher education funding priorities to the Governor and to the Legislature, for both supplemental and regular biennial operating and capital budgets. The Fiscal Committee of the HECB met on November 16, 2000 to consider the items proposed for the respective supplemental budgets. The subcommittee funding recommendations are presented below.

SUPPLEMENTAL OPERATING BUDGET OVERVIEW

Traditionally, the supplemental operating budget provides an opportunity for the Governor and the Legislature to update, refine, and otherwise adjust the budget previously adopted for the biennium. Supplemental budget requests are considered in light of the state's financial condition, both for the current fiscal year and for the upcoming biennium. With the Initiative 601 expenditure limits and recent passage of voter initiatives, the state's fiscal position is increasingly tight. Given this scenario, the Governor and Legislature are likely to support funding for a limited number of unanticipated and unavoidable supplemental requests that cannot be handled through reallocation of internal resources.

In the supplemental budget instructions issued to agencies and institutions on September 18, 2000, the Office of Financial Management (OFM) specifically states, "we ask that agencies request funding only where absolutely needed; the request should be both critical and emergent." The institution budget requests should be viewed in terms of this standard.

Four institutions have requested supplemental funding in the amount of \$5.3 million in state general funds. Over 85 percent (\$4.6 million) of this amount is to cover unanticipated increases in the cost of utilities (natural gas and electricity). Another 11 percent (\$589 thousand) is requested by Western Washington University to cover higher than budgeted enrollment levels, and the remainder is for higher than budgeted pension contributions at Washington State University (\$118 thousand) and K-20 internet access charges (\$42 thousand) at Central Washington University.

HECB FY 2001 SUPPLEMENTAL OPERATING BUDGET RECOMMENDATIONS

All of the operating budget supplemental requests brought forward by the institutions represent real and unavoidable costs that are being incurred. However, the question to be answered regarding the provision of additional state funds in a supplemental budget is whether these

expenses are unanticipated and beyond the capacity of institutions to reallocate within their already-approved budgets to cover these costs. In light of the state's current financial situation, and recognizing the reallocations that are being made by other institutions and state agencies, the Fiscal Committee does not recommend additional state funding for these requests at this time.

If the Governor and Legislature decide to fund increased utility costs for other agencies, or other unavoidable costs, then the HECB recommends the institution supplemental requests be considered for funding. Also, development of the 2001-2003 biennial institution budgets should recognize the actual cost of utilities, actual pension contributions paid, and actual enrollment levels. Institutions should not be expected to continue to absorb unfunded costs at these levels without significant effect on educational programs.

The reasons are as follows:

- All institutions and state agencies are experiencing high utility costs, and are reallocating to cover these costs. Only three institutions have requested additional state support in the supplemental budget process.
- The costs of additional students that institutions choose to enroll are historically not funded by the state, and not all institutions that have enrollments in excess of budgeted levels are requesting additional state dollars. Similarly, the HECB does not recommend that institution budgets be automatically reduced when their enrollment falls below budgeted levels.
- Pension contribution costs are predictable and were considered during the biennial budget process (although insufficient funding was provided). Presumably, the Legislature expected these costs to be accommodated within the flexibility afforded by current budget language. Retaining this flexibility is an important aspect of the HECB 2001-2003 biennium operating budget recommendations. Institutions must demonstrate that this flexibility allows them to accommodate changes of the magnitude proposed.
- The state's financial picture suggests restraint as the Governor and Legislature begin the process of determining the 2001-2003 biennium budget.

The table on the following page lists the supplemental amounts requested by the institutions.

SUMMARY OF FY 2001 SUPPLEMENTAL OPERATING BUDGET REQUESTS
\$ Thousands

<u>Operating Budget Requests</u>	<u>General Fund - State</u>
Central Washington University	
Utility costs	490.0
K-20 internet access	42.0
Subtotal – CWU	\$532.0
University of Washington	
Utility costs	3,170.9
Subtotal – UW	\$3,170.9
Washington State University	
Utility costs	905.0
Pension contributions	118.0
Subtotal – WSU	\$1,023.0
Western Washington University	
State support for added enrollment	589.3
Subtotal – WWU	\$589.3
Total – All Operating Requests	\$5,315.2

SUPPLEMENTAL CAPITAL BUDGET OVERVIEW

In addition to providing recommendations on supplemental operating budget requests, the HECB must review and make recommendations on institutions' supplemental capital budget proposals. Traditionally, the Legislature has used the supplemental capital budget for the following purposes:

- To provide **technical corrections** to the biennial capital budget; e.g., fund-source identification, reappropriation amounts, and project title;
- To make **changes in project scope or purpose**, and to add, modify or clarify special conditions contained as “proviso” in the appropriation language of capital projects;

- To **authorize new capital spending** for projects urgently needed to protect life, safety and property, and to continue state services and programs;
- To authorize **special planning studies** needed to inform capital policy-decisions in the following year; and
- To a limited degree, **to authorize predesign, design, or construction** funding for new program-based capital projects.

The Governor and Legislature have traditionally avoided the authorization of new program-based projects in supplemental budgets. This is particularly true when General Obligation Bonds are proposed as the basis of project funding or will be needed to support a later project phase (e.g., construction). This policy relates both to bonding capacity within the statutory debt limit¹, and the desire to evaluate every two years all capital needs within the context of the state's ten-year capital plan.

Fiscal Context

In 1999, the Legislature adopted a \$2.3 billion capital budget for the 2001-2003 biennium. This total spending plan authorized \$987 million in new General Obligation Bonds to finance hundreds of capital projects requested by state agencies and institutions. The \$753 million, 1999-2001 capital budget for public universities and colleges included \$464 in new General Obligation Bonds.

When developing this General Obligation Bond authorization level, the Legislature balanced the 1999-2001 biennium's capital needs with future projected capital bond needs through 2009. The Legislature's actions were needed in order to remain within the statutory debt limit and to have bonding capacity for future biennia. This approach to capital budgeting requires that some portion of available debt capacity in any one biennium be reserved for use in future biennia. In early fall 2000, the Office of Financial Management (OFM) advised state agencies and institutions that only limited funds would be available for critically needed capital projects in the 2001 Supplemental Capital Budget. This budget advisory is consistent with the traditional character and purposes of the supplemental capital budget discussed above. Additionally, this policy is instrumental in ensuring that sufficient bonding capacity will be available in the ensuing biennia.

Summary of Requests

1. The University of Washington is requesting \$2.5 million in General Obligation Bonds to acquire land for the expansion of the Tacoma campus. The University's 2001-2003 capital budget request included \$7.1 million for Tacoma campus land acquisition. The HECB included this request within its minimum funding recommendation for the 2001-2003 capital budget. As

¹ The statutory debt limit constrains the amount of debt service paid in any future year to seven percent of the average general fund revenues of the three prior fiscal years.

stated by the University, the purpose of the supplemental request is, “to allow flexibility to react to changing market conditions and enable the acquisition of properties at more favorable costs”.

2. The State Board for Community and Technical Colleges has advised HECB staff that they will be requesting approximately \$1.3 to \$1.8 million in General Obligation Bonds to fund the following two projects:

- Highline Community College-Building #30: Re-bid Project Expenses Due to Contractor Termination (\$1 million to \$1.5 million)
- Bellingham Technical College – Building B: Fire Permit Requirements (\$300,000)

HECB FY 2001 SUPPLEMENTAL CAPITAL BUDGET RECOMMENDATIONS

The Fiscal Committee believes it is appropriate for the Board to support state funding in the supplemental budget for projects needed to protect life, safety, and property and the continuation of state services and programs, and to respond to unanticipated project expenses beyond the administrative control of institutions.

In this regard, the Fiscal Committee recognizes that recommending the funding of the Tacoma campus land acquisition would be a departure from the Board’s criteria for supplemental capital funding. However, should the Legislature and the Governor determine that this item should be considered in the supplemental budget, the Fiscal Committee would encourage Board support of this request

The Fiscal Committee recommends that the Board support the two funding requests of the State Board for Community and Technical Colleges. Both projects are currently under construction and circumstances beyond the control of the institutions have arisen that require resolution in order to complete the projects.

RESOLUTION NO. 00-62

WHEREAS, It is the responsibility of the Higher Education Coordinating Board (HECB) to recommend higher education funding priorities to the Governor and to the Legislature for both regular biennial budgets as well as supplemental budget requests; and

WHEREAS, Central Washington University, the University of Washington, Washington State University, Western Washington University and the State Board for Community and Technical Colleges have requested additional state funds in the fiscal year 2001 supplemental budget; and

WHEREAS, The Fiscal Committee of the HECB has met to consider the supplemental budget requests on November 16, 2000; and

WHEREAS, The Fiscal Committee made recommendations to the full HECB for consideration on December 6, 2000;

THEREFORE, BE IT RESOLVED, That the Board adopts the recommendations of the Fiscal Committee with respect to supplemental budget proposals for the 2001 session of the Legislature; and

BE IT FURTHER RESOLVED, That the Board directs those recommendations to be forwarded to the Governor and the Legislature.

Adopted:

December 6, 2000

Attest:

Bob Craves, Chair

Kristianne Blake, Secretary

RESOLUTION NO. 00-64

WHEREAS, The Higher Education Coordinating Board is required to adopt an annual calendar of regular meeting dates for publication in the State Register; and

WHEREAS, The Operations Committee of the Board reviewed and approved a proposed 2001 meeting schedule at its November 16, 2000 meeting;

THEREFORE, BE IT RESOLVED, That the Higher Education Coordinating Board adopts the attached HECB 2001 meeting schedule.

Adopted:

December 6, 2000

Attest:

Bob Craves, Chair

Kristi Blake, Secretary

PROPOSED HECB 2001 MEETING SCHEDULE

December 2000

<i>DATE</i>	<i>TETATIVE LOCATION</i>
January 24 Wednesday	The Evergreen State College Olympia
April 11 Wednesday	John A. Cherberg Bldg. Senate Hearing Room 4 Capitol Campus
May 30 Wednesday	Eastern Washington University Cheney
July 25 Wednesday	University of Washington Tacoma UWT Conference Center
September 12 Wednesday	Washington State University Pullman Compton Union Building (CUB)
October 30 Tuesday	Cascadia Community College Bothell Board Room (3260), Main Cascadia Bldg.
December 12 Wednesday	Gonzaga University Spokane

2001 HECB LEGISLATIVE SESSION PRIORITIES

December 2000

BACKGROUND

The Washington Legislature will begin its 2001 regular session on Monday, Jan. 8, following a general election that provided the Democrats with the slenderest possible advantage. The Democrats enjoy a one-vote majority in the Senate, 25-24, but for the second consecutive term, both Republicans and Democrats hold 49 seats in the House. The regular session will last a maximum of 105 days and will focus on the development of capital and operating budgets for the 2001-03 biennium, which begins July 1.

The Operations Committee of the Higher Education Coordinating Board has identified a number of important priorities for the state's higher education system. This document presents a brief outline of these issues and an overview of the committee's recommended positions. It is accompanied by *Resolution 00-65*, which contains the Board's formal legislative agenda.

STATEWIDE HIGHER EDUCATION PRIORITIES

2001-03 Operating Budget

The HECB has developed a series of recommendations for the 2001-03 state operating budget that reflect the priorities established in the 2000 Master Plan. The following recommendations are fully described in Tab 5 of the October 2000 board packet:

- **Preservation of the current level of services.** The Board's highest priority is to avert budget-related cutbacks at the state's 34 community and technical colleges and six baccalaureate institutions.
- **Enrollment increases** of 7,091 full-time equivalent students. The Board calls for the addition of 5,000 FTEs at the community and technical colleges; 1,591 at the four-year institutions; and 500 for the state's competitive high-demand enrollment pool. A budget increase of \$58.4 million would finance the enrollment slots needed to meet the educational needs of a growing population and to expand and create new "high-demand" programs such as teacher training, health care and information technology, whose graduates are in strong demand from Washington employers.

- **Additional financial aid** for low- and middle-income students. This package includes \$35.4 million for the State Need Grant program, to meet the cost of new enrollments and to provide grants to students whose family incomes are less than 75 percent of the state median. This enhancement also would close half of the gap between current grant amounts and the full cost of tuition and fees at the public colleges and universities. Another \$10 million would fully fund the Washington Promise Scholarship for the state's top high school students. Some \$7.5 million would expand the State Work Study program, and \$900,000 would upgrade the HECB's financial aid administrative computing systems.
- **Predictable and affordable tuition increases for students.** As it has in the past, the Board again recommends that future tuition increases at the public two-year and four-year institutions be limited to no more than the rate of increase in the state's per capita personal income. Per capita income is forecast to increase by 4.7 percent in 2001-02 and 3.8 percent the following year.
- **Faculty salary increases,** including funds for recruitment and retention. The HECB supports the base increases proposed by the two-year colleges and the baccalaureate institutions, for an average of 10 percent for the biennium. The Board's salary package also would include funding for the community and technical colleges to continue to equalize the salary of part-time faculty members with their full-time counterparts.
- **Other enhancements,** based on the HECB agency budget request and recommendations for all of the public higher education institutions, including diversity outreach and continuation of grant programs for information technology and teacher training.

2001-03 Capital Budget

- The Board is asking the Legislature and Governor to adopt the principles and project rankings established in the HECB capital budget recommendations that were approved in October. The highest priorities are (1) to protect and preserve the quality of the state's existing capital assets; and (2) to support future needs by addressing existing space shortages and adding capacity to serve growing enrollments.
- The Board also requests \$1.5 million (in the state operating budget) to conduct a standardized condition assessment of the academic and support facilities at the public baccalaureate college and universities.

Policy Legislation

Washington Promise Scholarship: As it did in 1999 and 2000, the Board again endorses the Governor's initiative to enact the Promise Scholarship in statute. The Board believes the scholarship, with its emphasis on both academic merit and financial need for low- and middle-income students, is an excellent complement to the existing State Need Grant and Work Study programs.

Accountability recommendations: The Board will seek legislative adoption of the accountability recommendations for baccalaureate institutions that it endorsed at its October meeting.

Expanded institutional eligibility for financial aid: The Board would support amending current institutional eligibility standards in order to serve more needy students at certain accredited baccalaureate institutions that do not now participate in the State Need Grant program (but which *are* eligible to enroll students who receive the Promise Scholarship). The Board has described the criteria for this expansion in the study of the Educational Opportunity Grant that is scheduled for adoption at the December 6 meeting. **See Tab 4 for further information.**

Skills Gap legislation: The Board will review and consider supporting the Governor's anticipated package of budget and legislative proposals to address the "skills gap" – the shortage of college graduates in certain high-wage and high-skill career fields. This proposal is expected to be announced by mid-December.

RESOLUTION 00-65

WHEREAS, State law directs the Higher Education Coordinating Board to review, evaluate and make recommendations to the Legislature and Governor regarding budget, policy and legislative issues in consultation with the state's other educational institutions; and

WHEREAS, The Board has reviewed the budget proposals of the state's 34 community and technical colleges and six baccalaureate universities and college; and

WHEREAS, The Board has reviewed a wide range of legislative issues in order to fulfill its statutory responsibilities and to respond to a number of directives from the Legislature and Governor during the 2000 legislative session;

THEREFORE, BE IT RESOLVED, That the Board hereby adopts its 2000 Legislative Agenda, whose highest priorities are described in Tab 19 accompanying this resolution.

Adopted:

December 6, 2000

Attest:

Bob Craves, Chair

Kristi Blake, Secretary